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## **PRESS RELEASE**

### **COMMENTS ON BROKER FORECASTS**

PaperlinX has become aware of a range of earnings per share forecasts by analysts arising from the conditional offer by PaperlinX to purchase Buhrmann's Paper Merchating Division. In a small number of cases, analysts have diluted earnings per share for the institutional capital raising completed on June 19, without including any earnings from the business to be acquired with the funds.

"This is a transitory position that does not reflect any of the final outcomes that could arise from this negotiation," said Managing Director of PaperlinX, Mr Ian Wightwick commenting on the forecasts. "We are concerned to make sure that our shareholders, particularly our retail shareholders who may not have access to the full research explanation behind these numbers, are not misled into believing that the purchase of Buhrmann's Paper Merchating Division will dilute earnings. When we announced the offer on June 18, we said that it was:

- Estimated to increase PaperlinX's earnings per share by between 5% to 10% in the first full year based on estimated 2003 results.
- Earnings per share estimated to increase by at least 40% on 2003 earnings in year 3

This remains our view."

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#### **Editors Note:**

PaperlinX is a leading international paper merchant, with businesses in Australia, New Zealand, Asia, North America, the United Kingdom and Ireland. Through its Australian Paper division, it is also the only Australasian producer of high quality communication papers, and a major producer of high performance packaging and industrial papers.