

PRESS RELEASE

Melbourne's Munz Family Set To Join Billionaire Ranks

PUBLISHED 21 APRIL 2016

BY JEMIMA WHYTE

THE AUSTRALIAN FINANCIAL REVIEW

--

Melbourne's low-profile Munz family is set to join the ranks of the country's billionaire families, as it is poised to receive \$873.5 million in cash when plumbing company Reliance Worldwide Corporation lists on the stock exchange later this month.

In addition, the family's private company GSA Group will retain up to a 40 per cent stake in the listed company, worth as much as \$500 million, based on the group's expected market capitalisation of between \$1.2 billion and \$1.3 billion.

Polish-born Philip Munz, 85, bought the company in 1986 with his son Jonathan, 55, who is best known in racing circles as an owner-breeder and chair of Victoria's Thoroughbred Racehorse Owners Association.

The Munz family also owns the 40-hectare Pinecliff stud in Victoria's Mornington Peninsula, which can house up to 30 horses.

Jonathan Munz will chair Reliance and will not receive any directors fees for the group's first three years as a listed company. The Munz family stock will remain in escrow until the 2016-17 result is lodged.

According to the Reliance prospectus, the company will draw down \$160 million from its banking facility to repay the Munz family for loans it has made to the group.

The remainder will be paid for by selling shares, which are expected to be priced between \$2.27 and \$2.50 a share. The book-build to determine the final price will open on April 27 and the company will commence trading on the ASX on April 29. Assuming it prices at the top end of the offer range, Reliance will hit ASX boards with a market capitalisation of up to \$1.3 billion.

Melbourne has a large number of the country's richest families, according to the most recent BRW Rich List. In 2015, the Melbourne-based Smorgon family topped the richest families list, with an estimated net worth of \$2.7 billion.

From the initial company purchased by the Munz family in 1986, Reliance has grown to an international business.

Reliance now employs more than 800 staff. It entered the US market in the early 2000s, including the roll-out of its SharkBite brand, which snaps together copper, CPVC or PEX pipes in any combination without solder, clamps, unions or glue.

Reliance generates more than three-quarters of its revenue from outside Australia, with 61 per cent of its sales coming from the United States and 23 per cent in Australia.

The group also has operations in Britain, Spain, Canada and New Zealand. It operates 11 manufacturing facilities globally.

As reported by Street Talk brokers Evans & Partners, Ord Minnett and Morgans will handle the retail component of the offer, while Macquarie and JPMorgan have charge of the institutional offer. The retail offer closed on Wednesday.

Sydney Office

Level 23, Australia Square, 264 George Street, Sydney NSW 2000

Telephone: + 61 2 9271 0700 **Facsimile:** +61 2 9271 0777

Melbourne Office

Level 2, 18 Oliver Lane, Melbourne VIC 3000

Telephone: +61 3 9666 3900 **Facsimile:** +61 3 9666 3999

