NEWS RELEASE

Wolseley UK forms partnership with Wakefield

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Wakefield and District Housing (WDH) has announced that Wolseley UK, the country's largest distributor of construction products and materials, has been selected to supply it with all construction and maintenance materials – a deal worth approximately £6 million per year for up to five years.

Wolseley will supply all materials from two bespoke stores located strategically in the district. These will operate like conventional builders' merchants but with WDH as the sole client, ensuring that its employees can always get the materials they need. WDH will also benefit from consolidated invoicing, the availability of hand held technology (PDAs) for its employees to record their orders and Wolseley will manage and audit the stock on the operatives vans.

WDH was created in 2005, when it became the largest single stock transfer organisation with responsibility for 31,500 homes. Wolseley has now been recruited to supply all its materials required for repairs and maintenance, including heavy materials, timber and plumbing supplies. This will support WDH's maintenance and refurbishment teams as they ensure all its properties meet the Wakefield Standard, exceeding the Government's Decent Homes Standard.

This approach delivers significant advantages to WDH, including the rationalisation of existing stores with the invoicing and ordering process to be streamlined leading to significant efficiency gains. Wolseley will introduce

higher quality products based on whole life cycle costings through its established supply chain but the company will also embrace local suppliers, where existing relationships exist, to ensure that the local economy also benefits. WDH will also be guided by Wolseley in how to achieve the latest guidelines on sustainability through a wide range of energy efficient products and renewable technologies.

Wilby Meadows, Sector Director – Local Authority for Wolseley UK, commented: "This agreement will enable Wolseley to provide a tailored service that exactly meets WDH's needs. The result will be a streamlined, highly efficient service, enabling more money to be spent on housing and less on administration."

Benefits gained by WDH will be passed onto tenants through an improved service. Repairs can be fixed quicker through shorter turnaround times. Tenants will be eligible for a discount card at Wolseley's major merchant brands including Plumb Center and Build Center. Wolseley will also be supporting WDH's Community fund, for tenants to invest in community projects.

Steve Rawson, Operations Director at WDH, added: "Wolseley UK has an outstanding track record and I am confident it will meet our requirements as we seek to deliver major improvements to tenants across the district. We undertook a rigorous selection process and Wolseley's proposed solution to exactly meet our needs meant they were the best choice. I look forward to developing a long term partnership and continuing to deliver improvements to our customers' homes."
Ends

Notes

- Wolseley UK sits at the heart of the construction supply chain, providing the widest range of construction products and materials available in the UK and Ireland through more than1,800 branches, including the Plumb Center, Build Center, Pipe Center, Drain Center, Climate Center, Parts Center, Electric Center, Encon, Brandon Hire, Brooks, Heat Merchants and William Wilson chains.
- Its unique distribution system with multiple distribution centres makes the Wolseley UK distribution network more responsive and more flexible than any other in its sector. This superior supply chain capability plays a crucial role in enabling Wolseley UK to provide fast delivery of a vast product range through its branches, call centres and websites.
- Wolseley UK is committed to meeting customer needs by providing the right products and services when and where they are needed, at competitive prices. Its customers are anyone who constructs and maintains buildings and range from the largest construction companies to government organisations to self-employed contractors.
- Wolseley UK is a subsidiary of Wolseley plc, the world's largest specialist trade distributor of plumbing and heating products to professional contractors and a leading supplier of building materials in North America,

the UK and Continental Europe. Group revenues for the year ended 31 July 2006 was approximately £14.2 billion and operating profit, before amortisation of acquired intangibles, was £882 million. Wolseley has around 78,200 employees operating in 28 countries namely: Austria, Barbados, Belgium, Canada, Croatia, Czech Republic, Denmark, Finland, France, Greenland, Hungary, Ireland, Italy, Luxembourg, Mexico, Norway, Panama, Poland, Puerto Rico, Romania, San Marino, Slovakia, Sweden, Switzerland, The Netherlands, Trinidad & Tobago, UK, USA. Wolseley is listed on the London and New York Stock Exchanges (LSE: WOS, NYSE: WOS) and is in the FTSE 100 index of listed companies.

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