



Media Release

21 December 2006

**NEXT CAPITAL MAKES FOURTH INVESTMENT, ACQUIRES
NZ NUTRA-LIFE TO CREATE NZ\$170m (\$A150m)
TRANS-TASMAN HEALTH BUSINESS**

Private equity firm Next Capital has acquired trans-Tasman health food and supplement manufacturer *Nutra-Life* to create one of the largest operators in the manufacture and distribution of supplements, healthy foods and healthy drinks in Australasia, valued at approximately NZ\$170 million (A\$150million).

The acquisition—the fourth by recently established private equity firm Next Capital— follows the acquisition in October 2006 of health food and supplement manufacturer *Healtheries*.

The two companies have complementary business models with *Healtheries* having a strong presence in grocery and supermarket channels and *Nutra-Life* distributing most of its products through the health food store and pharmacy channels.

The businesses will continue to target their distinct channels and it is anticipated that the new group will create a strong platform for future expansion. The individual businesses will be run by current CEOs Mark Mathews and Sarah Kennedy.

Next Capital partner John White said "The combined businesses of Nutra-Life and Healtheries will create a formidable operation that is well-placed to capitalise on opportunities within the rapidly growing health and well-being sector with a growth focus on Australasia and other international markets.

"Having Nutra-Life and Healtheries businesses under one owner will also enable the business to consolidate its number one presence in all major distribution channels in New Zealand and provide a solid platform for continued Australian expansion. We are pleased to back Sarah and Mark as they are two of the most experienced managers in the Australasian health food sector," he said.

Nutra-Life CEO Mark Mathews said: "We are delighted with this investment, which will enable Nutra-Life to realise the next phase of its development. We have been impressed by Next Capital's approach and their plans for the future direction of the combined businesses. With their insight and expertise we believe we can further strengthen our leading position in the Australasian market."

Following the sale Mike Thompson, the major shareholder of Nutra-Life, will retain a 20% shareholding in the combined business.

For further information:

Next Capital		Fowlstone Communications (Australia)	
John White	M + 61 419681143	Geoff Fowlstone	W +612 99559899 M +61 413 746949
Patrick Elliott	W + 612 82225522 M + 612 414 617 882	Lindsay Muir	W +612 99559899 M + 61 400320540

About Next Capital

Next Capital was established by three highly experienced principals – Sandy Lockhart; Patrick Elliott; and John White- who have between them more than 30 years of private equity experience and were formerly responsible for Macquarie Bank's private equity division, Macquarie Direct Investment Limited.

Next Capital launched in October 2005 having raised an initial fund of \$265 million from institutional investors. The Nutra-Life acquisition is the fourth investment for Next Capital with company having previously acquired Healtheries, a 75 per cent of New Zealand equipment rental and plant management services company, Hirepool and 55.6% of Brisbane-based steel manufacturer and distributor SteelForce earlier in the year.

At Macquarie they were responsible for a range of successful investments including: JB Hi-Fi; Invocare and The Reject Shop.

About Nutra-Life

Nutra-Life consists of Nutra-Life Health & Fitness, Nutra-Life NZ Ltd and Health international. It manufactures supplements and health foods with strong brands such as Nutra-Life, Kordels, Balance, Wagner and Trilogy.

About Healtheries

Healtheries was established in New Zealand in 1904. Originally a speciality flour miller the company has grown into a market leader in supplements, functional beverages and healthy foods. The company employs over 200 staff and exports its products to more than 20 countries including Australia, UK and Singapore.

Healtheries has a number of well known brands and a leading position in the New Zealand supplement, healthy foods and beverages market. This complements its market leading position in sports nutrition in Australia.