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## ANNOUNCEMENT TO THE ASX

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### Acquisition of Damba Furniture in Australia and New Zealand

**Sydney, 16 May 2007 ~ Inventis Limited (ASX: IVT)** is pleased to announce that through Gregory Commercial Furniture Pty Limited (GCF), it has settled the acquisition of the business and assets of Damba Furniture Limited in New Zealand and all the shares on issue in Damba Furniture Pty Limited in Australia.

Prior to the acquisition by Inventis, Damba was a privately held company which began trading in 1969 and has a successful and loyal customer base consisting of a network of dealerships, architects and designers, project managers and many Government departments. Its annual turnover in Australia and New Zealand is approximately A\$10 million.

The acquisition of Damba will increase the revenue of the commercial furniture business of GCF significantly and it is forecast that combined turnover of GCF and Damba for the FY2008 will be approximately A\$28 million.

The acquisition is also forecast to enhance profitability through increased revenue from access to the New Zealand market and improved economies of scale comprising:

- Lower production overheads through the closure of Damba's Seven Hills factory and relocation and integration into the GCF's Whetherill Park factory which is now complete;
- Reduced office, management and administration costs by absorbing the majority of these functions into Inventis;
- Greater purchasing power;
- Reduced transportation costs; and
- A more streamlined sales and customer service team that is able to deliver a total solution to meet the present and future needs of GCF's combined customer base.

The total consideration for the acquisition was:

- The issue of 3.3 million fully paid Inventis shares at an issue price of A\$0.55 per share; plus
- The assumption of certain liabilities of Damba and the retirement of a debt facility to Westpac Banking Corporation which amounted to A\$1,424,951.

The Inventis shares issued today to the vendors of Damba will be held in escrow for a period of 12 months.



Tony H Noun  
**Managing Director**