



5 November 2007

The Company Announcements Platform
Australian Stock Exchange

For Immediate Market Release

Austbrokers Acquisition Activity Continues

Acquisitions have continued to be made within the Austbrokers network over the last few months. These are detailed below.

MGA Management Services (50% owned)

MGA has acquired 75% of Portfolio Planning Solutions Ltd's (PPS) general insurance broking business based in Adelaide effective 1 October 2007. PPS was a current IBNA member and places approximately \$7 million in premium and has total income of \$1.3 million. PPS will retain a 25% interest in the business. The business will utilise MGA's back office administration facility and Portfolio Management arrangement allowing PPS operatives to focus on sales and service of their customers.

MGA has also acquired the Mildura portfolio of Adelaide based Cranston Insurance Brokers and will bring on the existing operator to further complement and add to its existing Mildura business.

The acquisitions were funded by borrowings.

Austbrokers AEI Transport (AAT) (67.5% owned)

AAT has acquired the business of Transcom Insurance Services (TIS) effective 1 October 2007. TIS is an established specialist broker for the transport industry with \$1.3 million income and places premiums in excess of \$9 million. The acquisition of TIS complements AAT's current heavy motor transport book and is its second significant acquisition in the last 12 months.

By combining TIS with the existing AAT business, Austbrokers are positioning AAT into a national brand that will provide increased opportunities in expanding a client base that traditionally has had very little cross selling activities.

The acquisition was funded by borrowings.

Austbrokers Central Coast (ACC) (80% owned)

Austbrokers Central Coast (ACC) has acquired John Tarrant Insurance Consultants effective 1 October 2007 which will relocate to ACC's Tuggerah office. This acquisition together with the 1 July acquisition of Gosford Insurance Brokers will increase the scale of ACC's business adding \$600,000 in total income.

The acquisitions were funded by borrowings.

Phillips Financial Services (50% owned)

Phillips has acquired 50% of the business of Australian Compensation Services Pty Ltd (ACS), a company which provides workers compensation and related consultancy services. Managing Director of ACS Troy Mansell and all existing staff will continue on in the business servicing existing clients. The business will now trade as Austbrokers Compensation Services and will develop strategies to leverage cross-sell opportunities within Phillips' client base and that of other Austbrokers Network businesses.

The acquisition was funded by borrowings.

Increase in equity in McNaughton Gardiner Insurance Brokers (MGIB)

Austbrokers has increased its equity in MGIB from 50% to 70% through the acquisition of a further 20% from founding shareholder John Gardiner. As part of the company's succession process it is proposed that he will sell further shares to a senior operator within the company in the near future.

The acquisitions detailed above after funding costs are expected to add \$0.250 million on a full year basis to after tax profits before amortisation of intangibles.

Reviewing the recent activity Austbrokers CEO Lach McKeough commented:

“The recent acquisitions are indicative of the opportunities that we and our equity partners keep actively seeking and creating. It reinforces the inherent value of our owner-driver model, our succession planning capabilities and the benefits of encouraging our equity partners' entrepreneurial spirit.”

Yours sincerely,



S.S. Rouvray
Company Secretary
Austbrokers Holdings Limited

For further information, contact Steve Rouvray Tel: (02) 9935 2201
Mobile: 0412 259 158

This announcement may contain forward looking statements relating to future matters, which are subject to known and unknown risks, uncertainties and other important factors which could cause the actual results, performance or achievements of Austbrokers and the Austbrokers Group to be materially different from those expressed in this announcement. Except as required by law and only to the extent so required, neither Austbrokers nor any other person warrants that these forward looking statements relating to future matters will occur.