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The Company Announcements Platform
Australian Stock Exchange Limited

For Immediate Market Release

Acquisition of 50% Interest in Northlake Holdings Pty Ltd trading as Country Wide Insurance Brokers

Austbrokers Holdings Limited (AUB) advises that it has acquired a 50% interest in Northlake Holdings Pty Ltd trading as Country Wide Insurance Brokers (Country Wide). The initial payment is \$3.0 million with further payments in 2012 and 2013 based on the performance of the business.

The initial payment was funded from existing cash reserves.

Country Wide has its head office in Perth and operations in Mandurah, Bunbury, Moora, Geraldton, Narrogin, Northam, Katanning and Cunderdin. Country Wide has:

- 40 Staff
- Gross Written Premium of \$36 Million
- Annual Revenue of \$6 Million

The acquisition is a part of the succession planning strategy of the company, with the two founding partners, Peter Banks and Wayne Cooper, retiring as employees but remaining involved with the business as directors and shareholders.

Mr Ray Ball, Managing Director and also a shareholder, stated “We are delighted to welcome Austbrokers as a shareholder. Their involvement as our new partners will enable the business to continue along its already successful course. Apart from the business benefits that Austbrokers will provide, Country Wide becomes part of a large like-minded equity group which will give further impetus to our current growth plans. We chose the Austbrokers model because it gave our remaining shareholders, our staff and clients future certainty and continuity of the business in its current form”

Mr Lach McKeough, Austbrokers’ CEO, commented that “The addition of Country Wide will increase the Austbrokers’ network of broking businesses to 42 and provide a greater regional reach in rural Western Australia. We believe it is a strong business with a professional staff and approach. We look forward to working with Ray and his team to focus on income growth and help drive bottom line improvements in the future.”

The contribution of this acquisition to AUB’s FY2011 Net Profit After Tax (NPAT) will not be material but it is expected to contribute a net \$0.5 million to NPAT on a full year basis after factoring in funding costs.

Yours sincerely,



S.S. Rouvray
Company Secretary
Austbrokers Holdings Limited

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