

5 August 2015

Market Announcements Platform
ASX Limited
Level 6, Exchange Centre
20 Bridge Street
Sydney NSW 2000

FOR IMMEDIATE RELEASE

Dear Sir/Madam

Acquisition Update Allied Health Australia Pty Ltd

Austbrokers Holdings Limited (**AUB**) has acquired a 60% interest in Allied Health Australia (**Allied**). Allied's shareholders, Kevin Garvey and Lance Morton will continue in their roles and retain a 40% interest.

Allied is a leading provider of workplace rehabilitation and return to work services under the NSW Work Cover scheme. With more than 110 staff it has capabilities spanning occupational health and rehabilitation, employer training and advisory services as well as psychological health and physical treatment services. The transaction is in accordance with Austbrokers declared strategy to be the leading provider of risk services to companies and business partners across Australia.

AUB made cash payments of \$8.6 million on Completion of the acquisition funded from AUB's cash held. Further payments will be made later this year based on the results for the financial year (payment estimated to be \$0.9 million). Further payments will be made in 2016 and 2017 based on results achieved for those financial years.

On a full year basis based on current results, this acquisition is expected to add 2.0 cents to Austbrokers' underlying earnings per share before funding and acquisition costs. For these purposes, underlying earnings is a reference to AUB's consolidated net profit after tax excluding adjustments to carrying values to associates, after tax loss on sale of portfolios, interest in associates and controlled entities and amortisation of tangibles. Attached is the media release for the acquisition.

Yours faithfully,



Stephen Rouvray
Company Secretary
Austbrokers Holdings Limited

For further information, contact

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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 Holdings Limited 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.

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MEDIA RELEASE**Austbrokers Holdings diversification strategy accelerates with acquisition of equity in Allied Health Australia**

Sydney, 5 August 2015: ASX-listed Austbrokers Holdings Limited (ASX:AUB) today announced its new equity partnership with Allied Health Australia, a leading occupational health and safety rehabilitation service provider.

The partnership is further evidence of the progress of Austbrokers' risk management strategy, which was initiated two years ago. This strategy has already resulted in the generation of broader sources of revenue and profit, and adding Allied Health Australia into the mix advances its vision of becoming the leading insurance and risk management partner to businesses in Australia and New Zealand.

The deal stays true to the Owner-Driver business model of Austbrokers and involves Austbrokers acquiring 60% of the equity of Allied Health Australia.

"This acquisition reinforces Austbrokers' disciplined approach and appetite to deliver on its strategy. Austbrokers has long signalled its intention to expand scale in risk services provision, and take our highly successful Owner-Driver business model further into this market segment," said Austbrokers Holdings CEO and Managing Director, Mark Searles.

In the risk services sector, Austbrokers Holdings has already formed highly successful equity partnerships with a number of leading companies.

"With the addition of Allied Health Australia, we further expand our capacity to offer total risk management outcomes to clients, a cornerstone of our ambition to be Australia's leading risk management group.

"Additionally it drives diversified revenue to the group, mitigating the effects of the insurance cycle – something we have long signalled as a strategic objective.

"Today's announcement is a key step to confirm our position as one of Australasia's leading insurance and risk management specialist. We're excited by the future and the possibilities it presents," said Mr Searles.

Allied Health Australia owns highly successful injury management businesses Pinnacle Rehab and Peak Conditioning. The companies provide a range of services under the NSW Work Cover scheme, working with the managing agents as well as services direct to clients. Together with our existing partners, the addition of Allied gives the Group a leading position in the NSW return to work services market and helps provide the platform to focus on organic growth and opportunities in other key states.

"We could not be more pleased about joining a group of Austbrokers Holdings calibre. Our businesses form a natural fit and we are looking forward to leveraging our combined strength for the benefit of clients," said Kevin Garvey and Lance Morton, Directors of Allied Health Australia.

Mr Searles concludes "We've spent the last 30 years establishing our highly successful Owner-Driver business model, made possible through building mutually beneficial partnerships with exceptional

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businesses like Allied Health Australia. I'm pleased that our business model is equally effective as a platform for growth across the Group's different market segments, providing the benchmark model for sustainable growth in highly competitive markets."

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About Austbrokers Holdings Limited

Austbrokers Holdings Limited (ASX: AUB) is Australia and New Zealand's leading equity-based insurance distribution, underwriting agency and risk services group.

AUB employs a unique Owner-Driver business model – where businesses retain active control of their businesses while benefitting from group-level operational support. AUB comprises more than 70 equity businesses, representing over 450,000 clients with in excess of \$2.5 billion of GWP.

AUB operates three market leading business divisions in Australia – an insurance broking network (Austbrokers), specialised underwriting agencies (Sura) as well as a Risk Services division. All three business divisions are supported by market leading operational and technology services to help drive the efficiency and effectiveness of each equity business. AUB also operates the third largest insurance broking group in New Zealand under the banner 'NZbrokers'.

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