

NEWS RELEASE

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CROMBIE LOCKWOOD ACQUIRES FRASER MACANDREW RYAN

Investment creates New Zealand's premier broking operation

Advances Wesfarmers Insurance's growth strategy

Increases already significant broking footprint

Wesfarmers Insurance today announced that it has signed an agreement for Crombie Lockwood to acquire the business of Fraser MacAndrew Ryan Ltd (FMR Risk). The combination of Crombie Lockwood and FMR Risk creates a leading insurance broking and risk consulting business in New Zealand and establishes Crombie Lockwood as the leading provider in the industry.

"This transaction confirms our commitment to the New Zealand market and further strengthens our broking operations across Australia, New Zealand and the United Kingdom; now with a combined 1400 employees and in excess of A\$220 million of revenue. The acquisition will also enhance our Return on Capital from the first year," said Rob Scott, Managing Director of Wesfarmers Insurance.

"Crombie Lockwood and FMR Risk are a great fit. This acquisition is consistent with our strategy to accelerate growth with a focus on delivering customer value. FMR Risk has extensive relationships and specialist services that build on our current capabilities and propels us into a market leading position," said Carl O'Shea, the CEO of Crombie Lockwood.

"For customers, it reaffirms our focus on serving the needs of our local market. Crombie Lockwood is committed to combining the two operations into a prestigious, scalable business that enhances our delivery and innovative offerings to new and existing clients. We look forward to forging a powerful partnership with the FMR Risk team."

Paul Meehan, CEO of FMR, has been invited to join the Board of Crombie Lockwood. The transaction is expected to complete in April 2011.

Editors notes:**About Wesfarmers Insurance**

Wesfarmers Insurance has been part of the Wesfarmers group since 1919. Over the years we've grown into the 5th largest insurer in Australia and 3rd largest insurer in New Zealand. With headquarters in Sydney, we are represented in 123 locations in Australia, 27 in New Zealand and four in the United Kingdom.

Our insurance underwriting businesses include: Lumley in Australia and New Zealand and WFI in Australia. Our insurance broking businesses include: OAMPS in Australia and the United Kingdom and Crombie Lockwood in New Zealand. Wesfarmers Insurance has over 3,200 employees.

About Crombie Lockwood

Crombie Lockwood was established in 1978 and has grown to become New Zealand's second largest insurance broker, operating in 17 sites across NZ with headquarters in Auckland.

Crombie Lockwood is part of Wesfarmers Limited, one of Australia's largest listed and diverse companies and forms part of their international Broking division that includes OAMPs in both Australia and the UK.

About FMR Group

Founded in 1987, FMR Risk is a New Zealand-owned insurance broking company providing risk related services and placing insurance covers for clients within New Zealand and internationally with approximately 30,000 clients.

FMR Risk was New Zealand's largest locally owned broker and recently gained recognition as the fastest growing insurance broking business in the Deloitte Fast 50 awards.

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