

HBOS Australia announces acquisition to build wealth business

St Andrew's Australia, the wealth and insurance arm of HBOS Australia, has announced the acquisition of Whittaker Macnaught, one of Australia's largest independently-owned financial planning practices.

As a result of the acquisition, St Andrew's will increase its funds under management or advice to nearly \$2billion and the total number of financial advisers to 60."

Announcing the acquisition, St Andrew's Managing Director John Van Der Wielen said it was a very exciting leap forward in the group's aggressive growth plans and demonstrated HBOS Australia's commitment to growing its wealth business.

"HBOS Australia has ambitious and aggressive plans to become a major national provider of financial services and wealth management is critical to a full-service offering," he said.

"We intend to continue to grow our wealth and insurance business to become a substantial contributor to the overall HBOS Australia profit. Although our growth strategy is primarily organic, this acquisition catapults our growth plans forward."

Mr Van Der Wielen said the acquisition would benefit both St Andrew's and Whittaker Macnaught.

"This acquisition significantly increases our scale as well as substantially adding to our adviser teams both by volume and in the breadth and depth of adviser experience," he said.

"Importantly it also gives us a presence in Queensland and access to a large client base, allowing us to offer products and services to Queenslanders who are HBOS Australia customers through BankWest."

Whittaker Macnaught customers will retain the close personal service they receive from their advisers and in addition, will now have access to a broader range of products, supported by a HBOS Australia, part of HBOSplc, one of the world's largest financial services providers.

Whittaker Macnaught staff will have access to substantial employee benefits and enhanced career opportunities, as part of HBOS Australia.

The Whittaker Macnaught brand will be retained and both Cheryl Macnaught and Noel Whittaker will continue to work with St Andrew's to assist growing the business.

Whittaker Macnaught joint Director and co-founder Noel Whittaker said that the acquisition would benefit customers and staff.

"As part of HBOS Australia, St Andrew's has a focus on keeping investment and advice simple and accessible, which is in line with our own approach to good financial management," he said.

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Media Release

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Notes to the Editor**About St Andrew's Australia**

- St Andrew's Australia Pty Ltd, is a wholly owned subsidiary of HBOSA, and is the holding company of HBOS Australia's credit insurance, life insurance and wealth management businesses. St Andrew's Insurance (Australia) began trading in 1998 providing customers with consumer credit insurance products. In 2004, St Andrew's Australia opened a new life insurance company, St Andrew's Life Insurance to offer customers a range of term life and life insurance products. St Andrew's has continued to further expand its operations and also offers wealth management and investment product options through St Andrew's Wealth Management after acquiring BWA Financial Services Ltd in 2004 and RACV Financial Services Limited in 2005. These expansion initiatives form part of the overall growth strategy of HBOSA Insurance & Investment operations in the Australian market.

About HBOS Australia

- HBOS Australia Pty Ltd is a holding company formed in 2004 to oversee the operations of the Australian operations of UK financial services group, HBOS plc. HBOSA comprises four diverse financial services operations - BankWest, Capital Finance, St Andrew's Australia and BOS International. Its parent, HBOS plc, is one of the world's largest financial services groups.

About Whittaker Macnaught

- Whittaker Macnaught is one of Australia's largest independently owned financial planning practices, with more than 65 staff and 6 offices from the Gold Coast to Mackay. Since 1982 more than 20,000 Australians, from Thursday Island to Sydney and Perth as well as South-East Queensland, have trusted Whittaker Macnaught to handle their financial affairs. Whittaker Macnaught provides professional financial advice with a personal service offered by a dedicated team of financial advisers and helps ordinary Australians make extraordinary choices