



1 July 2003

### **Lumley Sale Agreement**

Wesfarmers has entered into an agreement with the shareholders of Edward Lumley Holdings Limited (“ELH”), owner of the Lumley Insurance Group, to purchase all of the shares in ELH. This follows the announcement on 3 June 2003 of the proposed acquisition by Wesfarmers of ELH.

An internal restructuring will occur prior to completion of the transaction to remove the company’s United Kingdom and Irish operations, which are to be retained by the existing shareholders of ELH. Wesfarmers will acquire the Lumley insurance and associated businesses in Australia and New Zealand.

The transaction remains subject to approval by the Australian Prudential Regulatory Authority and implementation of changes to the corporate structure of ELH to facilitate Australian ownership.

The parties expect these matters to be resolved by mid-August.

As announced on 3 June, the acquisition price is expected to be approximately A\$320 million for all the shares in ELH plus the assumption by Wesfarmers of external debt of some A\$55 million. The price is subject to adjustment for the level of net assets at completion.

The businesses proposed to be acquired by Wesfarmers include general and life insurance activities in Australia and New Zealand and related premium funding and information technology operations. Wesfarmers intends to operate the acquired businesses in parallel with its existing specialist rural and small business insurer, Wesfarmers Federation Insurance, in a separate new insurance business unit which will make a full contribution to the results of the group from the second quarter of the 2003/04 financial year.

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