

## Commonwealth Bank of Australia to acquire Count Financial Limited

**Sydney, 30 August 2011:** The Commonwealth Bank of Australia Group (CBA) and Count Financial Limited (Count) today announced they have entered into a Scheme Implementation Deed (the "Deed") under which CBA proposes to acquire all the shares of Count via a Scheme of Arrangement (the "Scheme").

Under the terms of the Deed, CBA has agreed to pay \$1.40 per Count share (in addition shareholders will receive the \$0.04 per share dividend previously announced by Count<sup>1</sup>), representing total consideration of \$373m<sup>2</sup> for the shares (the "Offer"). Count shareholders will be able to elect to receive the consideration wholly in cash or CBA shares on the terms set out in the Deed.

The Offer equates to 14.6 x FY2011 normalised Net Profit After Tax of \$25.6m.

Commonwealth Bank Group Executive, Wealth Management, Grahame Petersen said an acquisition of Count by the Bank's Wealth Management business represented an opportunity to invest in a well run business which provided quality financial advice.

"Our intention is to run the business on a standalone basis, supporting its business strategy, current open architecture platform philosophy and providing a platform for growth. It provides us further access to the important and growing self managed super fund sector through a highly regarded network of accountant-based financial advisers," Mr Petersen said.

"We believe an acquisition of Count is an excellent strategic and cultural fit. As an accounting-based dealer group, the acquisition is complementary to Colonial First State's advice businesses," Mr Petersen said.

The acquisition is expected to increase CBA's number of advisers from approximately 1,220 to more than 1,850, ranking it second by total number of advisers nationally.

The Board of Directors of Count has unanimously recommended shareholders vote in favour of the Scheme subject to no superior proposal emerging and the Independent Expert concluding that the Scheme is in the best interests of Scheme shareholders.

All Count Directors also intend to vote their shares in favour of the Scheme, subject to no superior offer and the Independent Expert concluding that the Scheme is in the best interests of Scheme shareholders.

Mr. Barry Lambert, Executive Chairman and the largest Count shareholder, has entered into a call option deed with CBA over approximately 17.74% of the issued shares in Count ("Option Deed")<sup>3</sup>. The details of the Option Deed will be disclosed in a substantial holder notice to be lodged with the ASX by CBA.

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<sup>1</sup> On 15 August 2011, Count announced a final dividend of \$0.04 per share with a payment date of 14 October 2011.

<sup>2</sup> Based on 262.2m fully diluted shares outstanding as at 29 August 2011 plus additional 2.9m shares to be issued under Count's loan funded share scheme and approximately \$1.9m in value of share options.

<sup>3</sup> The Option Deed is for 19.9% of Count's total shares on issue less the number of shares in Count currently held by the CBA Group in its funds management business and other non proprietary businesses (currently approximately 2.16%).

# ASX Announcement



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## Details of the Scheme

Under the Scheme, Count shareholders will receive as consideration for each Count share held the amount of \$1.40 (in addition shareholders will receive the \$0.04 per share dividend previously announced by Count<sup>1</sup>). Count shareholders can elect to take the consideration wholly in cash or as CBA shares on the terms set out in the Deed.

The transaction is subject to a number of conditions precedent, including no material adverse change, no prescribed occurrences, Count shareholder and Court approval and other customary conditions (including ACCC informal clearance).

The cash component of the acquisition will be funded by CBA from internal resources.

A scheme booklet with full details of the transaction, including an Independent Expert's report, is expected to be dispatched to Count shareholders in October 2011. The shareholder meeting to approve the Scheme is expected to be held in November 2011.

CBA's financial advisor is Goldman Sachs and legal advisor is Freehills.

## For more information contact:

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