

**ALLIED FARMERS LIMITED ACQUISITION OF SPEIRS FINANCE LIMITED
AND AMALGAMATION WITH ALLIED NATIONWIDE FINANCE LIMITED**

Allied Farmers Limited today announced that it has completed the purchase of Speirs Finance Limited from the Speirs Group Limited. Speirs Finance was amalgamated with Allied Nationwide Finance Limited (Allied Nationwide) on settlement.

The purchase of Speirs Finance is for a consideration of \$5.6 million, and includes the transfer of all assets associated with the Speirs Finance business and all debt obligations of Speirs Group, including Speirs Perpetual Bonds.

Consideration comprises cash of \$3.1 million and 1,851,852 shares in Allied Farmers, being approximately 8.7% of the shares of Allied Farmers.

Allied Nationwide has issued \$2.0 million of perpetual bonds (the 'Bonds') to Speirs Group as part of the agreed settlement. The Bonds carry the same terms and conditions as the existing perpetual bonds currently on issue.

Speirs Group has a put option to call on Allied Farmers to purchase the Bonds in five years' time at face value.

Standard & Poor's have confirmed that the Speirs Group securitisation programme, also part of the transaction, will maintain its A-1+ rating following the transfer to Allied Nationwide.

Nelson Speirs, Executive Chairman of Speirs Group, will join the board of Allied Nationwide on 6 October 2008.

Allied Farmers chief executive David Bale said, "The amalgamation gives the Allied Nationwide finance business the benefit of increased scale and access to funding from the securitisation programme and the public funding capacities of both the former businesses."

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