



Monday 14th December 2009

## Press Release and POMSoX Announcement

### **BSP purchase of Commonwealth Bank's Fiji Operations receives regulatory consent**

BSP has today announced that it has received all necessary regulatory consents to proceed to completion of the purchase of Commonwealth Bank's Fiji operations.

BSP signed a Share Purchase Agreement with the Commonwealth Bank of Australia to purchase National Bank of Fiji Limited, Colonial Fiji Life Limited and associated companies. The transaction was subject to regulatory approval by Bank of Papua New Guinea and by the Reserve Bank of Fiji as well as certain tax clearances to CBA in Fiji. All approvals have now been received.

National Bank of Fiji Limited trades as Colonial National Bank and enjoys a market share of around 20% of the Fiji banking sector. Colonial Fiji Life is the market leading life insurer in Fiji and was established in Fiji over 130 years ago.

National Bank of Fiji Limited held over PGK 790 million in total assets at 30 June 2009. Total assets of Colonial Fiji Life were in excess of PGK 516 million on the same date. The group reported earnings in 2009 were PGK 24.5 million.

The Managing Director and Chief Executive Officer of BSP, Mr. Ian B. Clyne said that the transaction is probably the most important strategic advance that BSP has made since the merger with the Papua New Guinea Banking Corporation in 2002 and that formal settlement is expected to now take place some time this week.

BSP and CBA have entered a Transition Services Agreement where CBA will continue to provide certain support services to the Fiji operations. This includes the services of the current Managing Director, Mr. Laurie Mellsop and as well as certain other senior executives.

All other details regarding the sale remain confidential.