

## **Towergate acquires Country Mutual**

Towergate Partnership has taken another major step forward in their rapid growth, with the purchase of Country Mutual Insurance Brokers from NFU Mutual.

Country Mutual are one of the Top 30 UK brokers in size and have over 400 staff in 16 offices nationwide. Controlling in excess of £130m GWP, the Country Mutual acquisition strengthens Towergate's position further as the UK's most successful regional broking consolidator.

The Profile of the Country Mutual insurance portfolio is a close fit with Towergate's, with a strong specialist affinity business through the former Beckett's operation and a high concentration of SME commercial business.

Peter Cullum was delighted: "This is an exciting move for both Towergate and the Country Mutual staff. There is a great fit between our business profiles, and the new staff will have access to nearly 200 specialist products and a wealth of experience amongst their 2700 colleagues. The potential here is huge.

"We remain highly ambitious in terms of both organic growth and further acquisitions, with a whole raft of excellent deals currently in play. We also remain on course to achieve our £2 bn annualised GWP target by the year end and ultimately lay claim to be the largest independently owned insurance intermediary in the world."

Ian Geden, Chief Executive of NFU Mutual said, "The decision to sell CMIB was not taken lightly as CMIB is a well-run and well managed business with talented and committed people. However the Board believes that NFU Mutual's strategic focus should be firmly directed towards the development of its core Agency business.

"Having decided to sell CMIB we are extremely pleased to reach this agreement with Towergate. It is important that staff not only have continuity of employment but will also be joining another successful and progressive company ".

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**Editor's Notes:**

**About CMIB**

1. CMIB is an independent general insurance broker, wholly owned by NFU Mutual.
2. During the period under NFU Mutual's ownership, CMIB has grown rapidly, both organically and through acquisition, and is the 27th largest general insurance broker in the UK<sup>1</sup>. Turnover in 2005 was £20.5 million.
3. Between 1996 and 2002 the group acquired a total of 24 insurance brokers. In 2002, the Company adopted the common brand name of Country Mutual Insurance Brokers Limited to bring the separate acquisitions together.
4. In December 2003, NFUM made its largest acquisition for CMIB to date with the acquisition of the Beckett Group. The Beckett Group added 4 branches controlling £55 million of premium income to CMIB, enhancing its position in the east of England.

**About Towergate**

1. Towergate Partnership was created in October 2005 by merging Towergate Underwriting Group and The Folgate Partnership.
2. Towergate Partnership has made over 110 acquisitions to date, and the combined Group controls £1.25bn GWP as at end of 2005, employing more than 3000 staff including the Country Mutual employees.
3. Peter Cullum, Paul Dyer and Tony Proverbs created the Towergate Underwriting Group in August 1997. In February 1998 the Royal Bank of Scotland provided backing for the acquisition of underwriting agencies in specialist niches in the UK insurance market. The Folgate Partnership was founded in 2002 by Peter Cullum, Andy Homer and Kenny Maciver, and through a strategic programme of growth through acquisition became the fastest growing insurance intermediary in the industry.
4. In 2005, Towergate bought out the main interests of Royal Bank of Scotland plc; the Towergate management and staff own 97.5% of the Company.

**About NFU Mutual**

1. Recognised as the UK's leading rural insurer, NFU Mutual offers a wide range of products, including general insurance, life, pensions, investments, and risk management services. These products and services are delivered through the agency network, as well as through a direct sales and service centre and company brokers.
2. With over 300 offices located in rural towns and villages throughout the UK, NFU Mutual has become part of the fabric of rural life and remains committed to serving the needs of people who visit, live or work in the countryside.
3. The National Farmers Union Mutual Insurance Society Limited is authorised and regulated by the Financial Services Authority.

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<sup>1</sup> Source: Insurance Times, The Top 50 Brokers, July 2005