

Annual General Meeting
Managing Director / CEO Presentation
20 November 2009

National Financial Services & Advisory Group



Overview

- National Financial Services & Advisory Group
- Financial Planning (FP), Self Managed Super (SMS) & Accounting Services (AS)
 - FP & SMS contribute 60 - 80% + of earnings (Typically 80% +)
 - AS contributes 20 - 40% of earnings (Typically 20%)

Financial Planning & Self Managed Super

- FP Funds Under Management (FUM) = \$1.0B (FUM = Asset Based Management Fees)
- FP Revenue Margin on FUM = 1.00% (Approx)
- Funds Under Advice (FUA - inc. FP FUM & SMS Assets) = \$3.0B
- Successful integration of Prime (Wholesale) & CPP (Retail) FP Operations in FY09

Accounting Services

- 7 Accounting Investees - FY09 contribution in-line with FY08

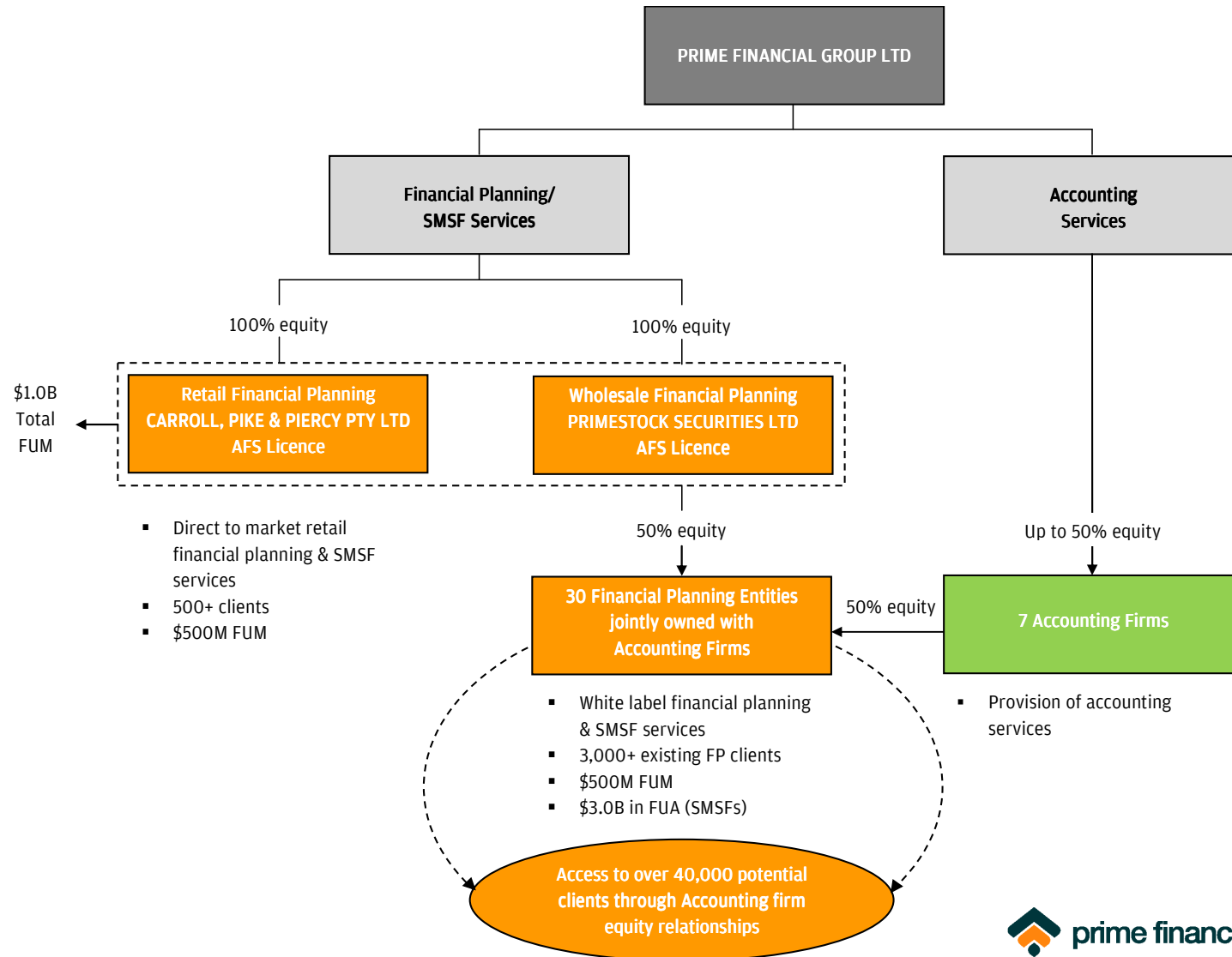
Financial Information

- FY09 EBIT (Excluding Capital Items) \$4.24M v \$7.41M FY08 (Down 42%)
 - 1H09 EBIT \$1.88M
 - 2H09 EBIT \$2.36M (+ 26%)
- Group Operating Margin FY09 = 36%
 - 1H09 = 33%
 - 2H09 = 38%

Corporate

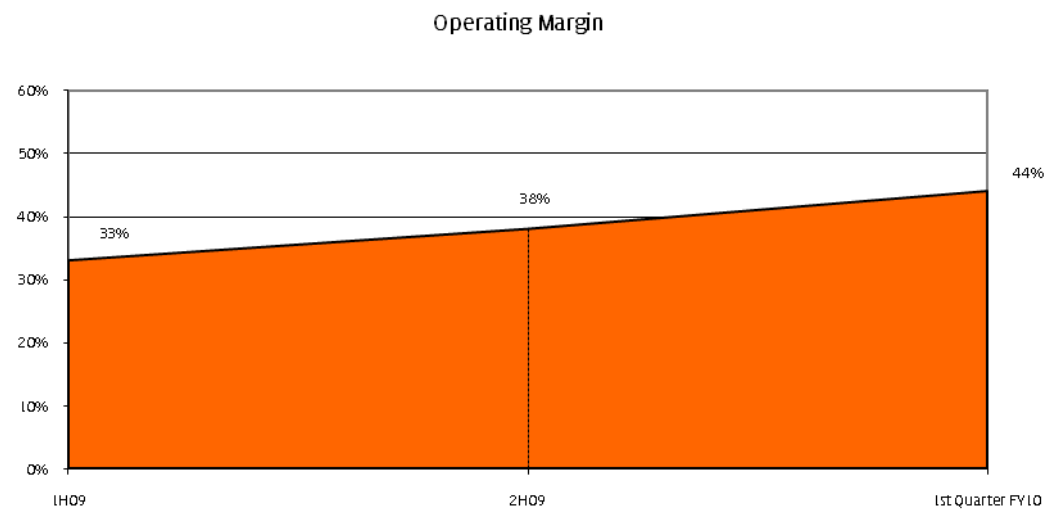
- Net Debt 30 June 2009 = \$6.5M - Gearing 10%
- Dividends to return to historic payout levels in FY10 (50 - 60%)
 - Subject to further debt reduction & potential acquisitions

Structure Chart



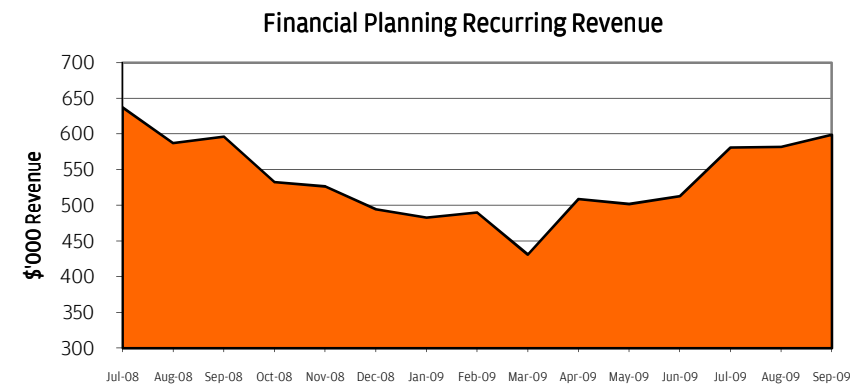
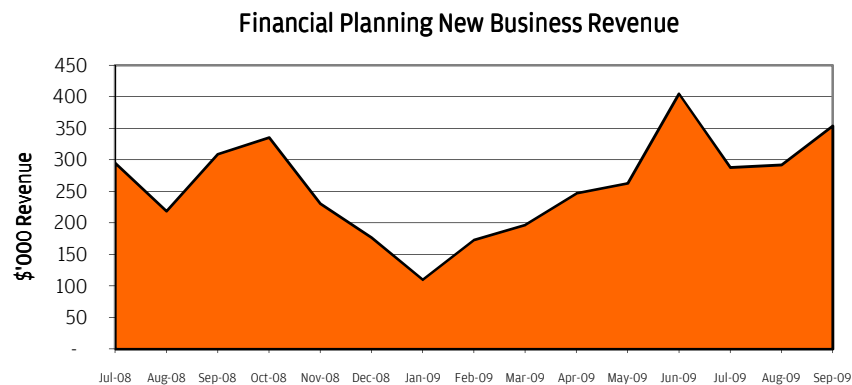
Financial

- EBIT
 - 1st Quarter FY10 ahead of target
 - October (Trend continuing)
- Operating Margin (1H09 = 33%, 2H09 = 38% & 1st Quarter FY10 = 44%)



Financial Planning & Self Managed Super

- New Business Revenue (Trending back to historical levels)
- Recurring Revenue (Trending back to historical levels)



- New FUM 1st Quarter FY10 = + \$25.0M

Accounting Services

- Accounting Firm Contribution (Consistent)

FY2010 Targets & Longer Term

FY2010

- **Grow Normalised EBIT by 25% + to \$5.3M + (FY09 = \$4.24M)**
 - Currently ahead of target
- **Increase Operating Margin from 36% (FY09) to 43% (FY10)**
 - Currently ahead of target @ 44%
- **Build New Financial Planning FUM by \$80.0M - \$100.0M + for year**
 - On target
- **Maintain Gross FP FUM Margin at 1.00% (approx)**
- **Improve Dollar Contribution from Accounting Services Investees**

Longer Term

- **Target \$1.5B - \$2.0B FUM**
- **Target Operating Margin 50% +**
 - As FUM grows operating leverage increases
 - \$2.0B FUM = operating margin circa 60%
 - Costs do not increase at the same rate as revenue

- **Focus on Financial Planning (FP), Self Managed Super (SMS) & Accounting Services (AS)**
- **Build New FUM**
 - Organic Growth in New Client numbers (Wholesale & Retail)
 - Acquisitions (Where appropriate)
 - Integrate AS & SMS Investees more with FP Operations (Grow FUM)
- **Provide quality advice / service to existing clients & source new offerings for prospective clients**
- **Allocate resources to key growth corridors / opportunities**
- **Utilise technology (Xplan) & improved systems / processes to increase efficiency / margin & service**
- **Invest in Business Development, Marketing & Training;**
 - Financial Planning & Self Managed Super
 - Accounting Services
- **Leverage opportunities available from legislative changes utilising existing business model**
- **Continue to align Staff & Shareholder interests**

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