APA FINANCIAL SERVICES LTD

Broker/Investor Update

February 2007

Presented by:
Paul Malcolm – Managing Director / CEO
Graham Anderson – Director / CFO
Steven Rowley – Director

Outline of the presentation

- Who are APA?
- An overview of reporting platforms in Australia
- Some features and benefits to our service
- A tour of some of our reporting functionality
- Questions and discussion

Who are APA?

- Arguably Australia's most sophisticated portfolio administration and reporting service
- A simple solution for individuals & families with complex financial affairs
- Our focus is to deliver a professional and superior portfolio administration service via our advanced proprietary technology, sophisticated tax management and our award winning administration services team.

Who are APA?

- Established in WA in 1992 and listed on the ASX on 30 June 2006
- Currently owned by co-founders, advisers and their clients, and investors
- Has spent significant time and money in creating a unique and superior Portfolio Administration and Management Service based on traditional double entry accounting principles ("PAMS")
- Currently a niche player in the market that has caught the attention of some large wholesale institutions

Board of Directors

Paul Malcolm	Managing Director Background in stockbroking, merchant banking and funds management
Graham Anderson	Executive Director & Company Secretary Chartered Accountant, extensive public company Board and commercial experience
Paul Tzaikos	Chairman CPA, former senior regulator, senior Gov't executive
Steven Rowley	Non-Executive Director Financial Planner, principal of London Partners (Vic) Pty Ltd (licensed Securities Dealer)
Mark Perry	Non-Executive Director Director of financial planning dealer, extensive financial services background with AXA, ING and IOOF, extensive knowledge of platforms

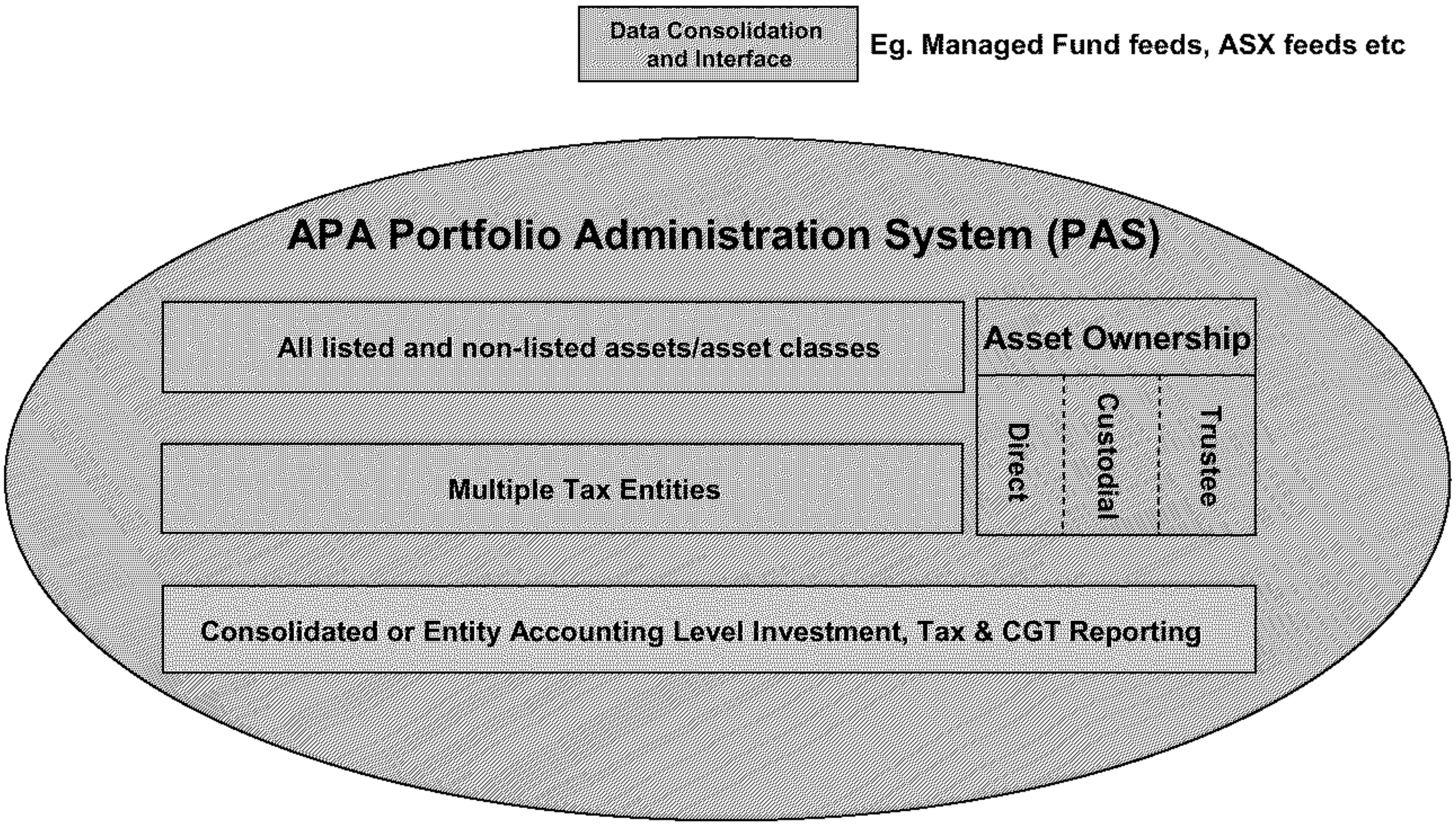
Ownership

Directors and Management	**35%**
APA Advisers	**16%**
Public	**49%**
Total	**100%**

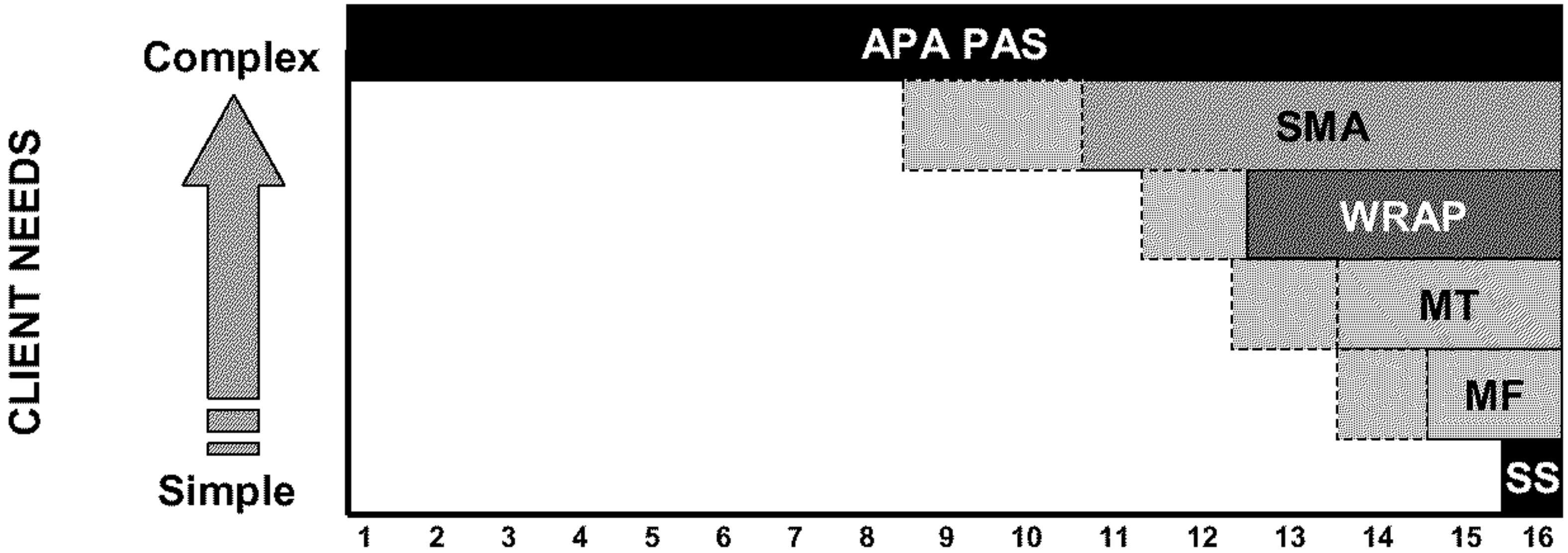
Why are we unique?

- The APA PAMS system is the only service in Australia that can administer and report accounting and tax information for any and all types of asset and liability.
- Our service enables the management of investment portfolios for a range of tax entities including individuals, family trusts, companies, self managed superannuation funds and charitable foundations
- In house experienced taxation and administration staff combined with internal control systems and assurance procedures ensure correct and consistent treatment of financial and taxation information

Overview of our Structure



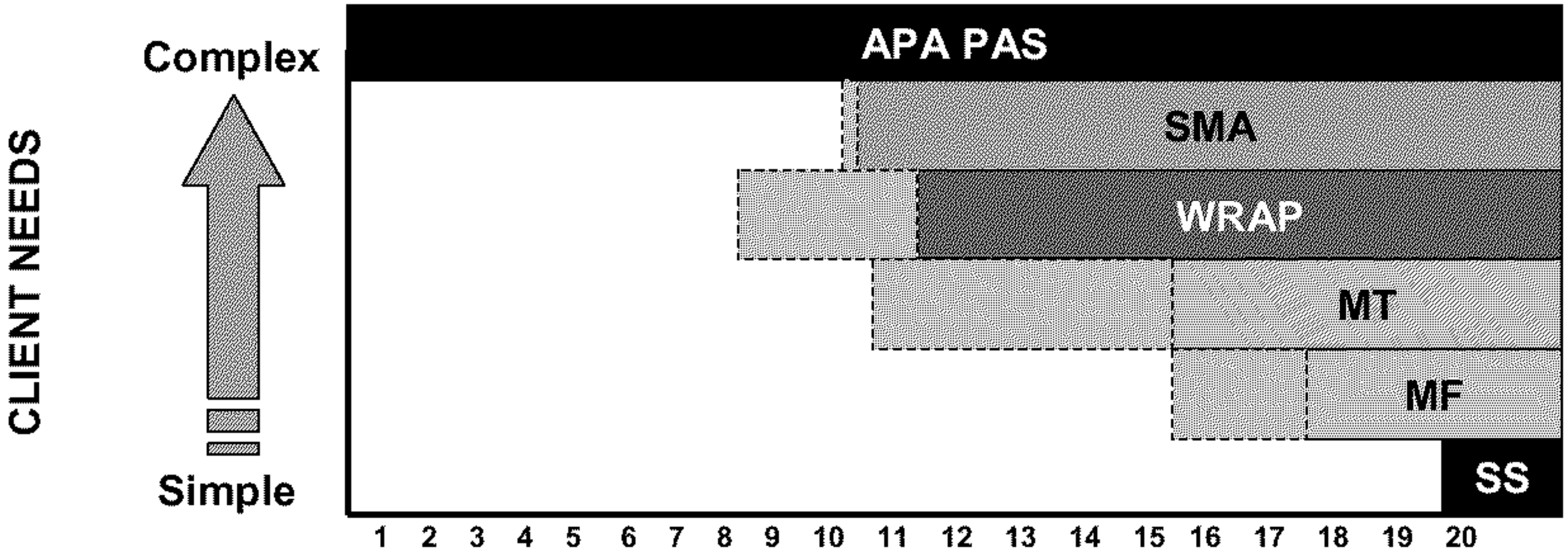
Platform Administration Management Capabilities



Legend
APA Portfolio Administration Service
Separately Managed Accounts
WRAP Accounts
Master Trusts
Managed Funds
Self Service
Some additional capability

1 Loans
2 Individually Managed Accounts
3 Agribusiness / Structured Products
4 Artworks, Collectibles & Curios
5 Real Business – Private Companies
6 Real Business – Private Trusts
7 Residential Property
8 Direct Investment Rental Property
9 Property Investments (ie: Syndicates, etc)
10 Unlisted Property Trusts
11 Separately Managed Accounts
12 Managed Discretionary Share Accounts
13 Direct Shares
14 Fund of Funds Accounts
15 Managed Funds
16 Cash

Platform Administration Reporting Capabilities



Legend

APA Portfolio Administration Service
Separately Managed Accounts
WRAP Accounts
Master Trusts
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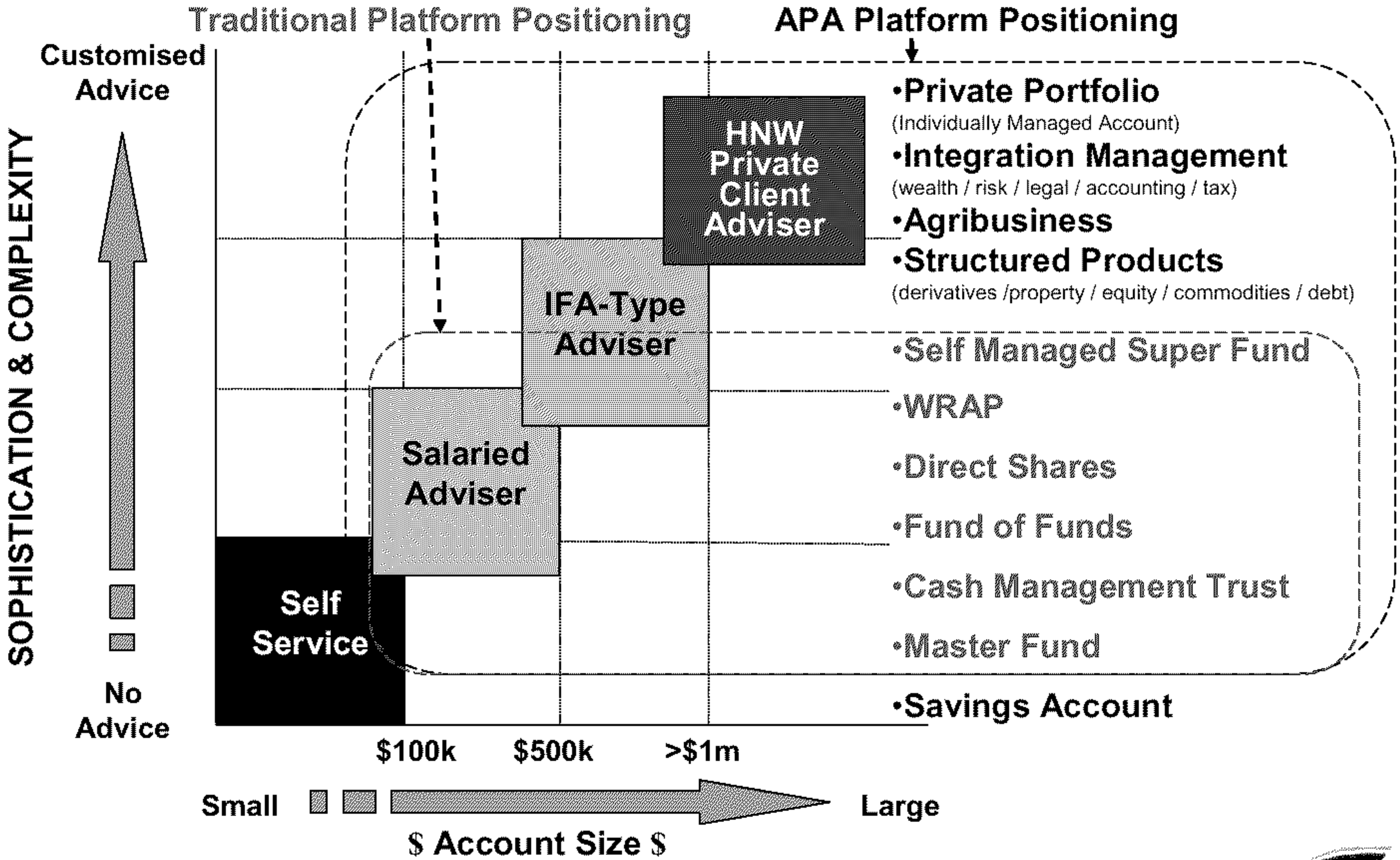
Self Service
Some additional capability

1 Trial Balance & General Ledger
2 Rental Property Worksheet
3 Notional CGT Calculations - Complex
4 CGT Optimisation – Entire Portfolio
5 PAYG for IAS / BAS Schedules
6 Detailed Tax Management Reporting
7 Client Selected Investment Reporting
8 Consolidated Tax Entities Performance – Percentage Returns
9 SMSF Reporting – Contributions, Member Positions & Rollovers
10 SMSF Reporting – Pension Schedules
11 Individual Asset Performance
12 Portfolio Performance Reporting – any period
13 Consolidated Reports – all periods
14 Investment Parcel Reporting - Simple
15 Multiple Portfolio Consolidation at Asset Level
16 CGT Reporting – Simple
17 Asset Allocation – Variance to Nominated
18 Tax Components of Income
19 Investment Valuation Reports – Mainstream Assets Only
20 Single Investment Transaction History

APA Platform Market Positioning



Why do advisers use APA?

FINANCIAL PLANNING

- A clear picture of their client's current financial situation
- Comprehensive financial planning and projections
- State-of-the-art portfolio analyses
- Insurance planning and evaluation

TAX AND ESTATE PLANNING

- Sophisticated tax minimisation strategies
- Transactional planning and structuring
- CGT optimisation tools
- Substantiation before tax authorities
- Wealth preservation and distribution strategies

Why do advisers use APA?

INVESTMENT PLANNING

- Establishment of strategic asset allocations and investment guidelines
- Availability of consolidated portfolio reports
- Ongoing performance monitoring and information to rebalance asset allocations

CASH & OTHER PLANNING

- Cash flow planning and projections
- Bill payment and bookkeeping
- Periodic cash flow, balance sheet and other financial reports
- Maintenance of private investment records

Key features of the service

Security	information is protected by bank grade information system 'security'
Control	multi level user assignment ensures information is only shared between those authorised
Accessibility	'immediate access' to asset, investment and tax data whenever, wherever via online secure login
Customisation	an ability to select various options to allow tax entities to be viewed on a consolidated or selected basis at the simple click of a button
Sophistication	administration solutions for complex investment issues
Tax management	our expertise encompasses complex corporate actions, reconstructions, CGT optimisation tools and calculators

Key features of the service

Online order pads	Advisers can buy and sell wholesale managed funds and direct shares via online order pads encompassing innovative portfolio management efficiencies
Online PDS library	Advisers can access electronic versions of product disclosure statements
Electronic updates	Financial Institutions, stockbrokers etc provide electronic feeds of transaction details, share/unit pricing, dividend and distribution information
Smart client registration	Single process online registration allows advisers to complete applications on an efficient error free basis
AFSL License compliance	AFSL License holders and Corporate Authorised Representatives can overview investment information simply to control compliance matters

Some of our reports

PERIODIC REPORTS

- Asset Class Summary
- Portfolio by Asset Class
- Portfolio Valuation by Security
- Quarterly Transaction Report
- Year to data Realised Capital Gains
- Year to date Unrealised Capital Gains
- Quarterly Income Report
- Quarterly Cash Book Report
- PAYG for IAS / BAS

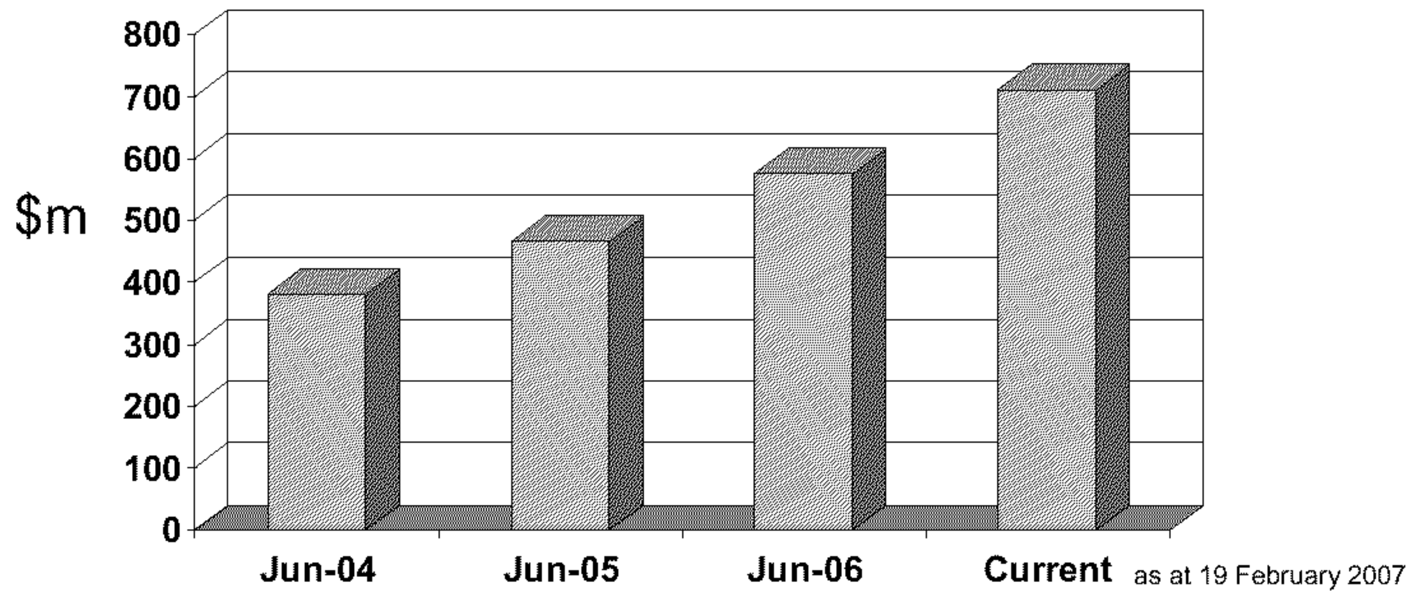
ANNUAL REPORTS

- Tax Summary Report
- Annual Transaction Report
- Annual Realised Capital Gains
- Annual Unrealised Capital Gains
- Annual Income Report
- Annual Cash Book Report
- Portfolio Performance
- Asset Allocation
- General Ledger

How do we charge our services?

- Fixed fee per investment plus small asset charge
- Easily administered assets have lower fixed fee
- Fees are determined by level of manual involvement in the recording process
- Automation progress benefits, including fee margins, are shared with Advisers
- No charge for non administered assets and liabilities

FUA Growth



- Total increase in FUA for 30 June 2006 compared to 2005 was $109m
- Total increase in FUA since 1 July 2006 was $137m
- Average FUA for 30 June 2006 year was $554m
- Average FUA for period 1 July 2006 – 31 January 2007 was $655m

Pharos Strategic Relationship

- APA and Pharos have an agreement whereby Pharos will place up to $1.5 billion in FUA onto the APA platform by FY 2008
- Benefits of this alliance includes:
  - Access to relationships with independents
  - Access to relationships with Institutions
  - Access to packaged products
  - Achieving FUA economies of scale sooner
  - Improved profitability

APA Strategic Focus

- Strategic relationships with key players in niche market segments
- Emerging domination of certain sectors of the financial services market through market leading capabilities, particularly in relation to complex and/or alternative assets and liabilities
- Continuous development of the APA technology to enhance the deliverables and cost competitiveness of platform
- A focus on technological delivery of processing efficiencies that will provide a superior net operating margin to dealers / advisers and APA

Questions?