

Full Year Results

23 August 2012

Barry Lambert - Chairman

Michael Spurr - Managing Director & CEO

countplus 

Full Year Result Highlights

Financials

Net Profit after Tax: **\$11.31 million (up 19%*)**

Net Profit after Tax attributable to shareholders: **\$11.21 million**

Operating Result (EBITA): **\$19.22 million (up 7%)**

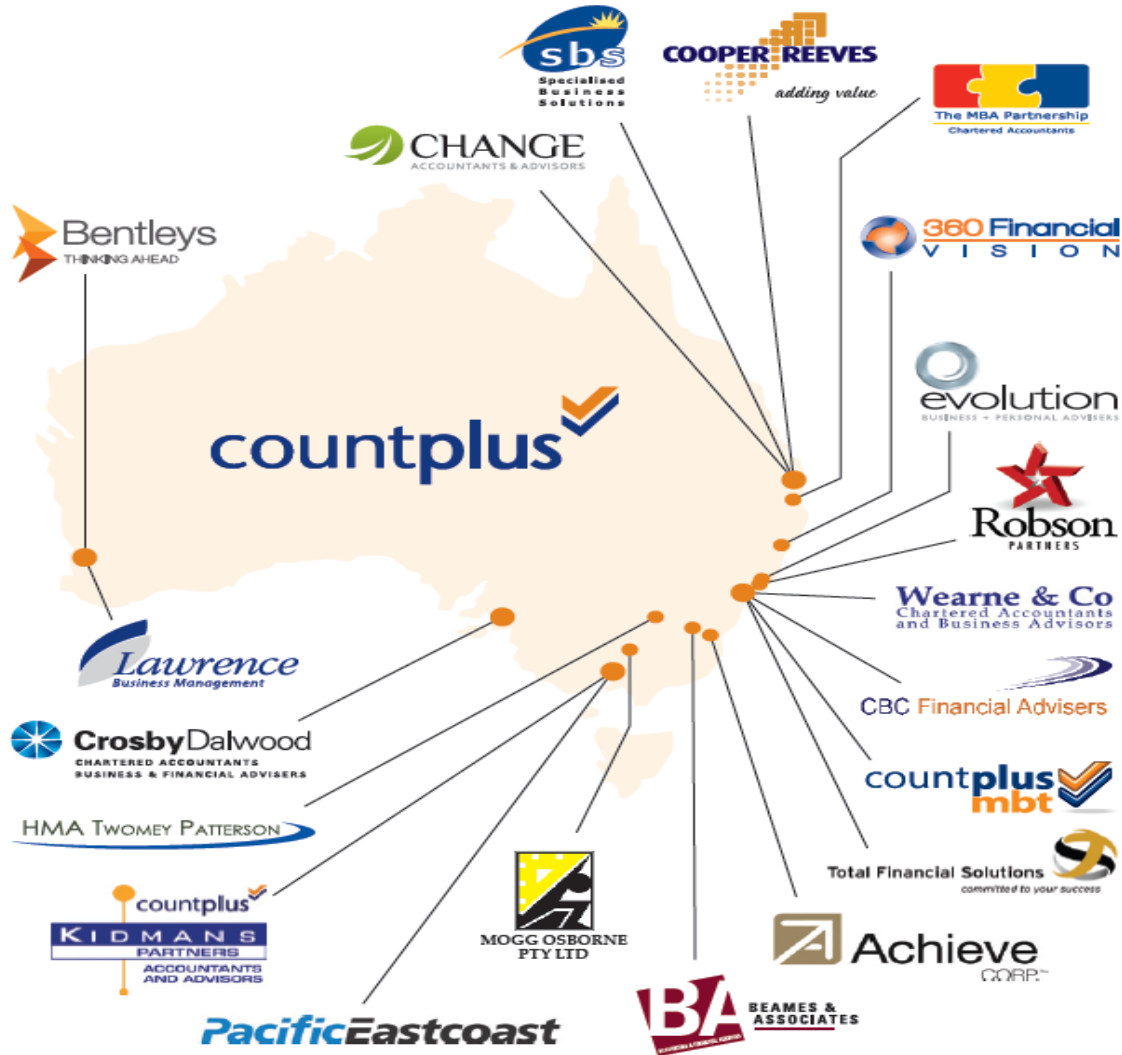
** Normalised for non-cash fair value adjustments*

CUP Dividends

12 cents declared and paid for 2011/12

First quarterly dividend for 2012/13 of **3 cents** per share fully franked declared (payment date 15/11/12; ex-date 22/10/12)

The Countplus Network



Group Performance – Member Firms

	2012 \$ '000	2012 % of Total Revenue	% Change
Total Net Member Revenue	90,242	100%	11.28%
Expenses:			
Salaries and Employment	(51,698)	(57.29%)	
Premises	(5,240)	(5.81%)	
Depreciation	(1,359)	(1.51%)	
Other Expenses	(12,431)	(13.78%)	
Total Expenses	(70,728)	(78.38%)	12.56%
Net Income Member Firms	19,514	21.62%	6.87%
Net Contribution Margin (%)	22%		

Revenue made up of primarily of accounting services, financial planning services is 19% of total net revenue.

Other Expenses include impact of new debtor provisioning policy

Group Performance – Member Firms

	2012 \$ '000	2012 % of Total Revenue	% Change	
Net Income Member Firms	19,514	21.6%	6.9%	Head office contribution largely neutral
Head Office Contribution (net cost)	(297)		(1.0%)	
Operating Profit (EBITA)	19,217	21.3%	7.0%	
Interest Expense	(779)		(19.4%)	Tax consolidation has resulted in lower expense for the year.
Net Profit before Tax	18,438	20.4%	8.5%	
Tax Expense	(4,800)		(10.4%)	Fair value adjustments significant in prior year
Cash Earnings	13,639	15.1%	17.2%	
Amortisation Expense (net tax effect)	(2,489)		8.4%	
Net Profit after Tax (ex fair vale adjust)	11,150	12.4%	19.4%	
Fair Value Adjustments (net tax)	161		(95.5%)	
Net Profit after Tax	11,310	12.5%	(12.2%)	

Balance Sheet

	2012 \$ '000	% Change
Current Assets	30,244	(0.5%)
Non-Current Assets	64,777	11.3%
Total Assets	95,021	7.3%
Current Liabilities	22,429	(22.4%)
Non-Current Liabilities	18,989	73.0%
Total Liabilities	41,418	3.8%
Net Assets	53,603	10.1%
Current Ratio	1.35	
Total Loans and Borrowings	8,742	
Net Debt	2,360	

Balance sheet in strong position with net debt low and current ratio healthy

Debt has increased due to new acquisitions payments and deferred payments

Member Firms have good cash flow

Results – Key Takeouts

- Acquisitions have contributed to revenue and expense growth
- Organic growth in both Accounting and Financial planning
- New debtor provisioning policy (additional \$0.9m expensed as additional provision)
- New long service leave provisioning calculation (additional \$0.6m expensed as additional provision)
- Financial planning revenue assisted by loyalty payments

Results – Key Takeouts (continued)

- Tax consolidation has had positive impact on tax expense for this year only
- Amortisation expense (non-cash) relates to acquired client relationships and adviser network (intangible asset) arising on acquisition
- Large positive non-cash fair value adjustments in prior period
- NPAT growth 19% ex fair value items
- Net debt low



SBS (QLD)

Dividends

Dividends Paid	Cents Per Share	Paid
First Post Listing Dividend	4 cents	01/07/2011
2011 Final Dividend	2 cents	15/08/2011
1 st Interim Dividend	3 cents	15/11/2011
2 nd Interim Dividend	3 cents	15/02/2012
3 rd Interim Dividend	3 cents	15/05/2012
2012 Final Dividend	3 cents	15/08/2012

Fully Franked Dividend Declared

Dividend Declared	Cents Per Share	Ex-Dividend Date	Record Date	Payment Date
2013 1 st Interim Dividend	3 cents	22/10/2012	26/10/12	15/11/12



HMATP (Regional NSW)

Benefits of Joining Countplus

What are the benefits to accountants and other financial services businesses of being part of Countplus?

- Diversify assets and grow at a listed multiple
- Provide financial support for business growth
- Long-term succession
- Enhance services range to client base



Kidmans Partners (VIC)

Recent Acquisitions

Date	Acquirer	“Tuck-In”
Jul 2011	Countplus MBT (Sydney, NSW)	Parramatta (Sydney, NSW) based chartered accounting & financial planning practice Loughhead Roberts
Feb 2012	Kidmans (Melbourne, VIC)	Victorian based property & accounting group Pacific East Coast
Mar 2012	Beames & Assoc (ACT)	Regional NSW (Cooma) accounting firm
Apr 2012	Achieve Corp (ACT)	Melbourne based accounting & financial planning business, Contract1

Growth Acquisition Strategy

- Organic growth is priority
- Funding of acquisitions will predominately be funded from profits
- “Tuck-ins” by subsidiaries preferred
- Have begun marketing outside the Count group

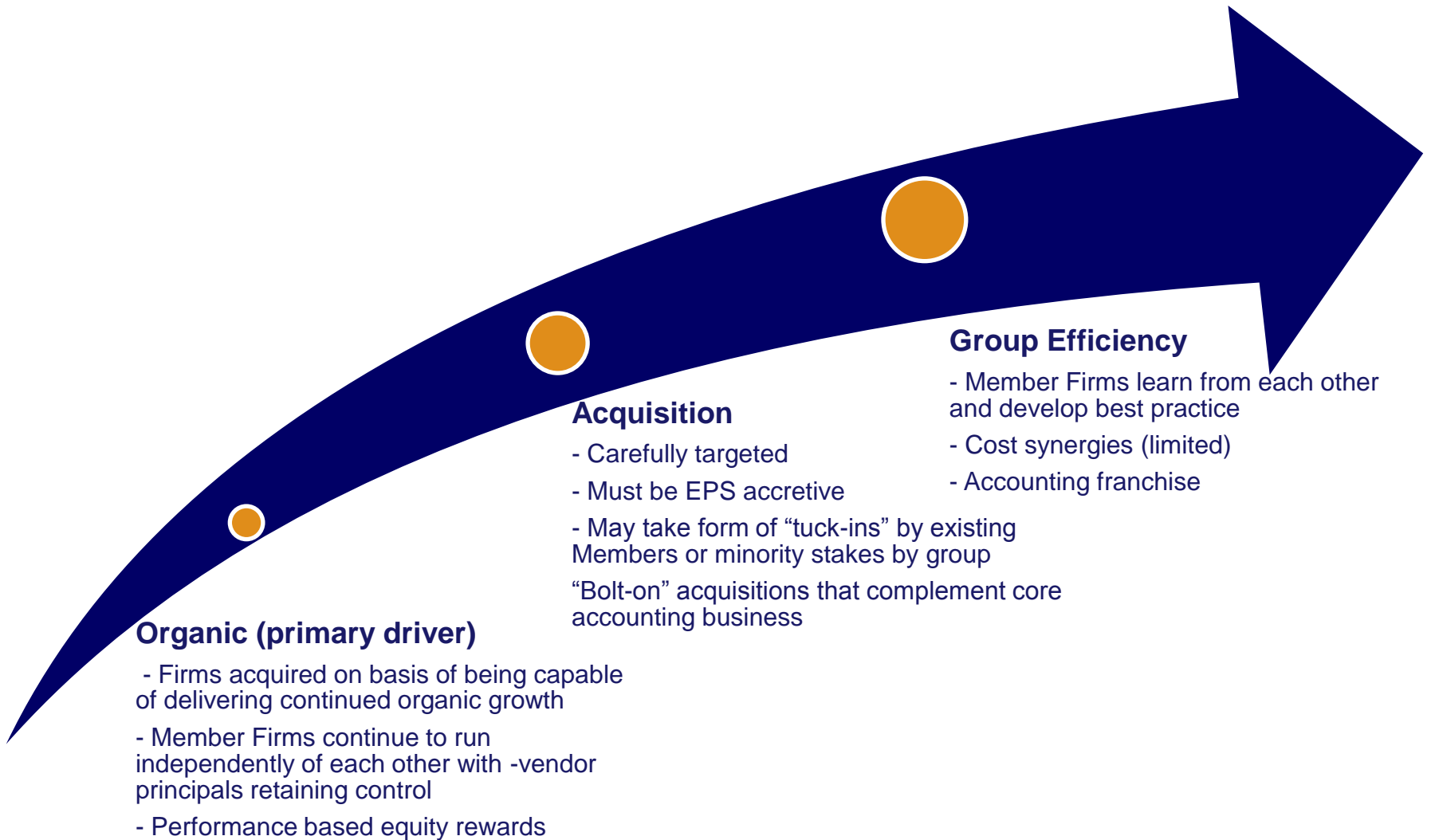


Evolution Advisers (NSW)

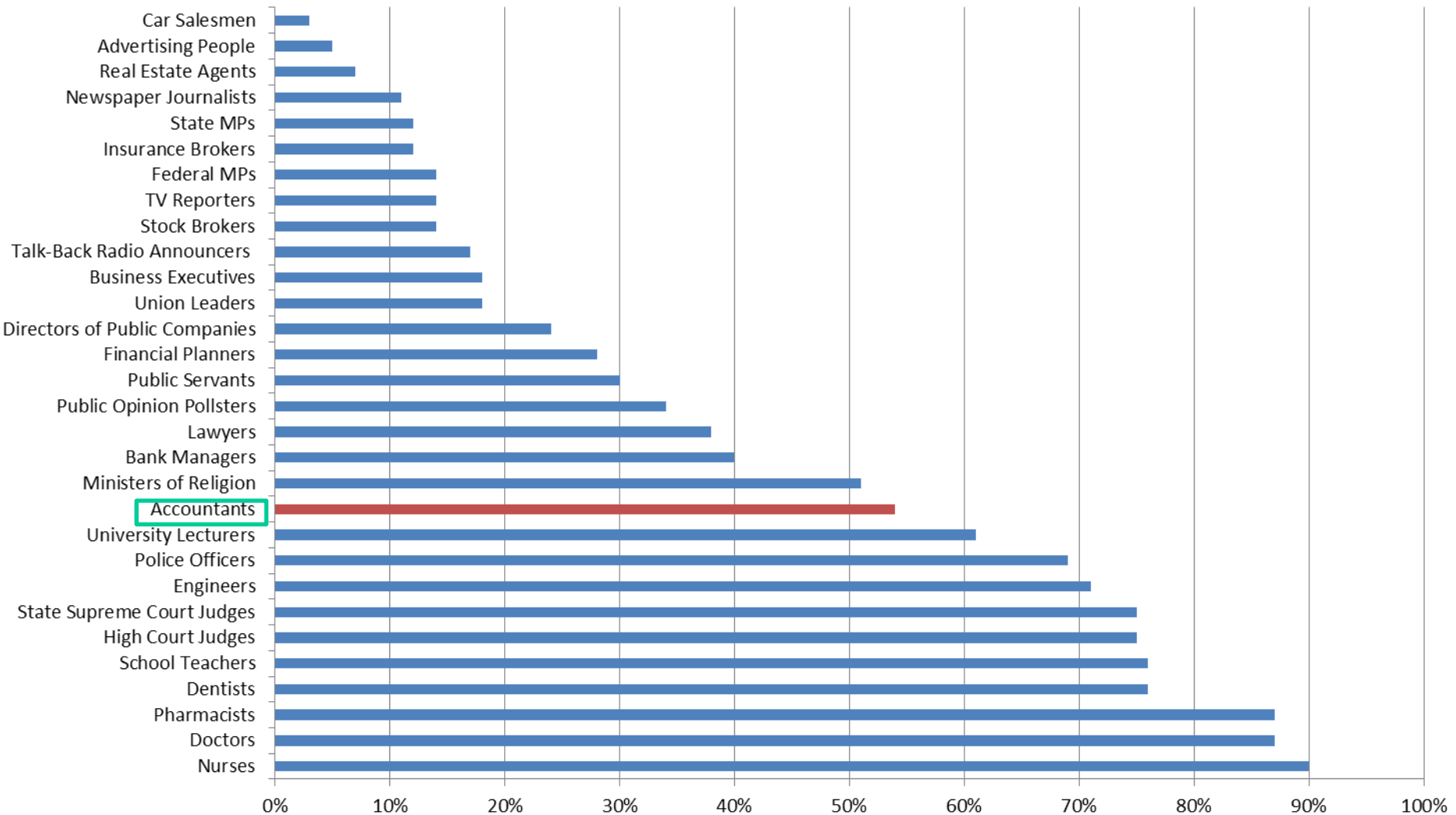
Expanded Acquisition Policy

- Acquire minority stakes (30%+) in accounting/financial services businesses:
 - Retiring partner
 - Fund acquisition of fees
 - Means of getting to know non-Count affiliated firms
- Performance benchmarks for Countplus to increase interest

Future Growth



Accountants: High ratings for Ethics and Honesty



Outlook

- First guidance to be reported at Annual General Meeting in November
- Preliminary estimates indicate good earnings per share growth for 2013
- First minority interest acquisition expected shortly

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