EQT RELEASE

23 February 2007

Equity Trustees record run continues

Equity Trustees Limited (ASX: EQT) today announced a record first half after-tax profit.

Net profit before tax for the half year to 31 December 2006 was $5,245,529 (2005: $2,657,720). After-tax profit was $3,649,521 (2005: $1,902,232), an **increase of 92%.**

After adjusting for a one-off legal expense in the prior corresponding half year of $478,443, the underlying half year increase in after-tax profit was **53%**.

The result continues the company's record run of profitability that commenced in the 2005 financial year. The record half-year result is confirmation that Equity Trustees has maintained its focus on its core revenue streams combined with strong operating controls.

The result places the company in a favourable position to undertake the next stage of its business strategy, namely step growth through careful acquisition.

Revenue for the half year was **up 36.9%** to $15,802,836 (2005: $11,541,612).

Earnings per share were 47.35 cents (2005: 26.83 cents), and the company has declared a fully-franked dividend of 30 cents per share (2005: 20 cents per share)

Equity Trustees' Chairman, Mr Philip Molyneux AM, commented on the importance of the result in the context of the Group's goals.

"Once again Equity Trustees has been able to deliver an outstanding return for all our stakeholders."

"Our Managing Director, Peter Williams, and his management team have successfully grown revenue in the businesses' core streams while maintaining a sensible approach to costs."

"Due to the strength of the half-year result, I am pleased to announce an interim fully franked dividend of 30 cents per share, which is 50% higher than that paid in respect of the same period last year. This increased dividend is further evidence of Equity Trustees' ability to generate superior returns for its stakeholders."

Peter Williams, confirmed that the interim result is consistent with the full year forecast that the company provided the market in early December 2006.

Equity Trustees Limited
Australian Financial Services Licence No 240975 ABN 46 004 031 298
Level 2, 575 Bourke Street Melbourne Victoria 3000 Telephone (03) 8623 5000 Facsimile (03) 8623 5200 Email equity@eqt.com.au
Website www.eqt.com.au

"The half-year result is pleasing and falls within our forecast range."

"The very strong growth in the Private Clients business unit is partially attributable to recent changes updating the legislation dealing with ongoing trusts. In addition to this our staff in this business unit have been working very hard to ensure that we achieve growth in our wealth management services as well as in our traditional trustee services. Proposed changes to superannuation legislation may also provide an opportunity for our DIY superannuation service."

"Our Funds Management business continues to generate revenue growth despite margin pressure within the industry. This reflects our strong relationships with a number of leading boutique and global investment managers."

"We are also seeing a strong demand for our highly specialised Responsible Entity services from existing clients as well as from new clients entering the Australian market."

"Our Wealthpac superannuation master-trust business continues to make an important contribution to our Group profit. We have recently established Equity Trustees Superannuation Limited, which encompasses our existing master trusts and any additional Superannuation business we are able to acquire."

"We have also recently announced that we are negotiating with Australian Unity in respect of acquiring the Freedom of Choice Master Trust. This is a very exciting development and bodes well for our Superannuation business playing an important role in Equity Trustees' growth."

The Group confirmed its full year forecast for operating profit before tax to exceed $9.5m, (assuming no profit or loss from the sale of investments), an increase in excess of 45% on the prior year.

The record date for the dividend payment is 16 March 2007 with payment on 14 April 2007. The company will again operate the dividend reinvestment plan (DRP) for this dividend, including a 2.5% discount. We also advise that any shortfall in take-up of the DRP will be underwritten at the DRP share price.

For further information, please contact:

Peter Williams	**Phone:**	**(03) 8623 5201**
Managing Director	**Mobile:**	**0407 169 508**
Equity Trustees Limited	**Email:**	**pwilliams@eqt.com.au**
	Website:	**www.eqt.com.au**

EQUITY Trustees
Trusted since 1888

EQT RELEASE

Appendix 4D – Half-Year Report

Name of entity

Equity Trustees Limited

ABN or equivalent company reference

46 004 031 298

Half Year Ended

31 December 2006

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31 Dec 06 $ '000		31 Dec 05 $ '000	
Revenue from ordinary activities	15,803	Up 36.9%	From	11,542
Profit from ordinary activities after tax attributable to members	3,650	Up 91.9%	From	1,902
Net profit for the period attributable to members	3,650	Up 91.9%	From	1,902

Dividends	Amount per Security	Franked amount per Security
Interim Dividend The directors have declared a fully franked interim dividend of 30 cents per share. The directors have also declared that the dividend reinvestment plan (DRP) will operate for this dividend. The share price to be used for the DRP will be calculated based on the volume weighted average price of EQT traded shares on 5 days after record date. A discount of 2.5% will be applied. Any shortfall in take-up of the DRP will be underwritten at the DRP share price.	30 cents	100%

Record date for determining entitlements to the dividend.	16 March 2007
Payment date for dividend	14 April 2007

ASX ADDITIONAL INFORMATION

Additional information required by the ASX, and not shown elsewhere in this report, follows. The information is current as at 31 December 2006.

	31 Dec 06	31 Dec 05
Net tangible asset backing / per share	2.50	1.82
Net tangible asset backing per share, based on 7,738,493 shares on issue (2005: 7,639,337)		

Control gained over entities having material effect	NA	NA
- Name of Entity (or group of entities)		
- Date to which the profit / (loss) has been calculated		
- Contribution to consolidated profit / (loss) from ordinary activities and extraordinary items since the date in which control was acquired		
Loss of control of entities having material effect	NA	NA
- Name of Entity (or group of entities)		
- Date to which the profit / (loss) has been calculated		
- Contribution to consolidated profit / (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control		

Audit

This report is based on the condensed consolidated half-year financial report which has been subject to a review by Deloitte.

Commentary

Refer to Director's Report, attached, for additional commentary.

Equity Trustees Limited
ABN 46 004 031 298

Consolidated Half-Year Financial Report

for the half-year ended

31 December 2006

Equity Trustees Limited Group
Table of Contents

Equity Trustees Limited
[ABN 46 004 031 298]

Directors' Report

The directors of Equity Trustees Limited submit herewith the financial report for the half-year ended 31 December 2006. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company during or since the end of the half-year are:

Philip G Molyneux AM, Chairman
Peter J Williams, Managing Director
David F Groves
John R McConnell
Barry J Jackson
J A (Tony) Killen
Ross A Illingworth

The above named directors held office during and since the end of the half-year except for Ross A Illingworth who resigned 31 August 2006.

Review of Operations

The directors of Equity Trustees Limited report a net profit after income tax expense for the half-year ended 31 December 2006 of $3,649,521 which is a 92% increase on the after tax profit of $1,902,232 for the corresponding prior period.

The result for the period has not been affected by any material one-off or non-recurring items. However, in the corresponding prior period, a legal expense of $478,443 was incurred regarding the acquisition of the Wealthpac business.

There were no sales or disposals of investments during the six months ended 31 December 2006 and therefore no gain or loss on sale of investments are contained in the current period result. In the corresponding prior period there was an immaterial loss on sale of investments.

If the abovementioned legal expense in the corresponding prior period is excluded, the operating profit after tax of $3,649,521 represents an increase of 53% over the corresponding prior period underlying profit after tax of $2,380,675.

The earnings per share (undiluted) for the six month period was 47.35 cents per share (2005: 26.83 cents), representing a 76% increase in undiluted earnings per share over the corresponding prior period. This is based on the weighted average shares on issue during the period of 7,707,959 (2005: 7,089,271).

In relation to the balance sheet, shareholders funds have increased by $3,167,635 from $36,356,601 at 30 June 2006 to $39,524,236. This increase includes an increase in the investment revaluation reserve of $667,623.

At 31 December 2006 the investment portfolio contained a pre-tax unrealised gain of $5,720,069 (June 2006: $4,846,747). Under A-IFRS the unrealised gain net of tax is included in the investment revaluation reserve. As at 31 December 2006 this reserve is $4,086,307 (June 2006 : $3,418,684).

Equity Trustees Limited
[ABN 46 004 031 298]

Directors' Report (cont'd)

The net asset position and liquid assets more than adequately support the Reserve Fund requirement of the Trustee Companies Act 1984.

Auditor's Independence Declaration

The Auditors' Independence Declaration is included on page 13 of the half-year financial report.

Signed in accordance with a resolution of the directors made pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the Directors

Philip Mo

Mr Philip G Molyneux AM
Chairman
Melbourne, 23 February 2007

Deloitte.

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

180 Lonsdale Street
Melbourne VIC 3000
GPO Box 78B
Melbourne VIC 3001 Australia

DX 111
Tel: +61 (0) 3 9208 7000
Fax: +61 (0) 3 9208 7001
www.deloitte.com.au

The Board of Directors
Equity Trustees Limited
575 Bourke Street
MELBOURNE VIC 3000

23 February 2007

Dear Board Members

Equity Trustees Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Equity Trustees Limited.

As lead audit partner for the review of the financial statements of Equity Trustees Limited for the or half-year ended 31 December 2006, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Peter A Caldwell
Partner
Chartered Accountants

Directors' Declaration

The directors declare that:

a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

Mr Philip G Molyneux AM
Chairman
Melbourne, 23 February 2007

Equity Trustees Limited
Condensed Consolidated Income Statement
for the half-year ended 31 December 2006

	Notes	Consolidated Half-year ended 31-Dec-06 $	Half-year ended 31-Dec-05 $
Continuing operations			
Revenue		15,250,419	10,892,068
Other income		552,417	649,544
Total revenue		**15,802,836**	**11,541,612**
Employee benefits expense		6,472,849	5,300,368
Other employment and consulting expenses		690,321	460,855
Audit and tax advice expenses		144,715	149,663
Depreciation and amortisation expenses		329,899	225,756
Insurance expenses		339,615	349,269
Legal expenses		51,674	524,037
Marketing expenses		801,567	484,147
Information technology expenses		585,744	473,374
Occupancy expenses		584,142	489,794
Other expenses		556,781	426,629
Total expenses		**10,557,307**	**8,883,892**
Profit before income tax expense		**5,245,529**	**2,657,720**
Income tax expense		(1,596,008)	(755,488)
Profit from continuing operations		**3,649,521**	**1,902,232**
Profit for the period		**3,649,521**	**1,902,232**
Profit attributable to members of the parent entity		**3,649,521**	**1,902,232**
Earnings per share			
- Basic (cents per share)		**47.35**	**26.83**
- Diluted (cents per share)		**47.03**	**26.83**

The above statement should be read in conjunction with the accompanying notes to the financial statements.

Equity Trustees Limited
Condensed Consolidated Balance Sheet
for the half-year ended 31 December 2006

	Notes	Consolidated 31-Dec-06 $	30-Jun-06 $
Current assets			
Cash and cash equivalents		1,126,972	1,020,621
Trade and other receivables		4,276,787	3,536,512
Prepaid expenses		676,118	414,504
Managed investment funds		7,838,737	7,945,937
Reserve fund		3,000,000	2,850,000
Total current assets		**16,918,614**	**15,767,574**
Non-current assets			
Trade and other receivables		151,299	148,214
Other financial assets		5,792,512	5,154,119
Reserve fund		3,000,000	2,850,000
Intangible assets		19,207,714	19,095,280
Property, plant & equipment		1,294,342	705,938
Deferred tax assets		1,004,547	1,054,831
Total non-current assets		**30,450,414**	**29,008,382**
Total assets		**47,369,028**	**44,775,956**
Current liabilities			
Trade and other payables		1,101,979	1,091,823
Provisions		2,684,253	2,628,588
Other current liabilities		546,450	562,692
Current tax payable		890,581	1,589,142
Total current liabilities		**5,223,263**	**5,872,245**
Non-current liabilities			
Provisions		851,666	1,084,052
Other non-current liabilities		128,398	34,995
Deferred tax liabilities - investment revaluation		1,641,465	1,428,063
Total non-current liabilities		**2,621,529**	**2,547,110**
Total liabilities		**7,844,792**	**8,419,355**
Net assets		**39,524,236**	**36,356,601**
Equity			
Issued capital		27,197,382	26,122,159
Investment revaluation reserve		4,086,307	3,418,684
Reserves		2,107,530	2,025,530
Retained earnings		6,133,017	4,790,228
Parent entity interest		**39,524,236**	**36,356,601**
Total equity		**39,524,236**	**36,356,601**

The above statement should be read in conjunction with the accompanying notes to the financial statements.

Equity Trustees Limited
Condensed Consolidated Statement of Recognised Income and Expense
for the half-year ended 31 December 2006

	Notes	Consolidated Half-year ended 31-Dec-06 $	Consolidated Half-year ended 31-Dec-05 $
Available-for-sale investments:			
Valuation gain taken to equity		873,322	882,005
Transferred to income statement from equity on sale		-	(18,463)
Income tax on items taken directly to or transferred from equity		(205,699)	(259,063)
Net income recognised directly in equity		667,623	604,479
Profit for the period		3,649,521	1,902,232
Total recognised income and expense for the period		4,317,144	2,506,711
Attributable to equity holders of the parent*		4,317,144	2,506,711
Effects of changes in accounting policy:			
Attributable to equity holders of the parent*		-	-
Effects of correction of errors:			
Attributable to equity holders of the parent*		-	-

* No minority interests

The above statement should be read in conjunction with the accompanying notes to the financial statements.

Equity Trustees Limited
Condensed Consolidated Cash Flow Statement
for the half-year ended 31 December 2006

	Notes	Consolidated Half-year ended 31-Dec-06 $	Consolidated Half-year ended 31-Dec-05 $
Cash flows from operating activities			
Receipts from customers		14,608,496	10,922,593
Payments to suppliers and employees		(10,744,650)	(8,351,277)
Income tax paid		(2,220,853)	(1,874,418)
Net cash provided by operating activities		**1,642,993**	**696,898**
Cash flows from investing activities			
Payment for investment securities		(171,973)	(3,487,197)
Proceeds on sale of investment securities		-	3,297,878
Interest received		208,587	431,855
Dividends received		424,127	251,660
Proceeds from repayment of related party loans		1,370	1,170
Payment for property, plant and equipment		(692,322)	(118,591)
Payment for intangible assets		(274,229)	(184,937)
Net cash (used in) / provided by investing activities		**(504,440)**	**191,838**
Cash flows from financing activities			
Proceeds from issues of equity securities		1,065,529	11,559,156
Payment for share issue costs		(5,256)	(253,643)
Dividend paid to members of the parent entity	2	(2,306,733)	(1,620,213)
Net cash (used in) / provided by financing activities		**(1,246,460)**	**9,685,300**
Net (decrease) / increase in cash and cash equivalents		**(107,907)**	**10,574,036**
Cash and cash equivalents at the beginning of the half-year		**7,472,221**	**8,130,378**
Cash and cash equivalents at the end of the half-year		**7,364,314**	**18,704,414**
Reconciliation of cash			
Cash		973,389	1,081,336
Short term deposits - current assets		3,390,925	14,873,078
Short term deposits - Reserve fund current assets		3,000,000	2,750,000
		7,364,314	**18,704,414**

The above statement should be read in conjunction with the accompanying notes to the financial statements.

1. **Summary of accounting policies**

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

Basis of preparation

The condensed financial report has been prepared on the basis of historical cost, except for the revaluation of certain financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 30 June 2006, other than as detailed below.

Adoption of new and revised Accounting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2006. The adoption of these new and revised Standards and Interpretations has resulted in the following changes to the Group's accounting policies that have affected the amounts reported for current or prior years:

- Financial guarantee contracts (AASB 2005-09 Amendment to Australian Accounting Standards).

The impact of the above change in accounting policies is as follows:

The AASB released AASB 2005-09 'Amendments to Australian Accounting Standards' in September 2005. AASB 2005-09 amends AASB 139 'Financial Instruments: Recognition and Measurement' to require certain financial guarantee contracts to be recognised in accordance with AASB 139 and measured initially at their fair values, and subsequently measured at the higher of the amount recognised as a provision and the amount initially recognised less cumulative amortisation in accordance with the Group's revenue recognition policies.

The changes introduced by AASB 2005-09 are applied by the Group with effect from the beginning of the comparative reporting period presented in this financial report (i.e. with effect from 1 July 2005). The Group is party to a financial guarantee contract where an entity in the Group has provided a financial guarantee to a bank in respect of the an entity external to the Equity Trustees Group. The application of these amendments results in such financial guarantee contracts now being recognised and measured at the higher of the best estimate of the expenditure required to settle the obligation and the amount initially recognised less, where appropriate, cumulative amortisation.

The impact of this change in accounting policy on the consolidated financial report at the beginning of the comparative period is nil (the adjustment is immaterial). There is no impact on the income statement for the half-year period ended 31 December 2006 (the adjustment is immaterial) (December 2005: nil). There is also no impact on the balance sheet as at 31 December 2006 (the adjustment is immaterial) (December 2005: nil).

	Half-year ended 31-Dec-06		Half-year ended 31-Dec-05	
	Cents per share	$	Cents per share	$
2. Dividends				
Recognised amounts				
Fully paid ordinary shares				
Final dividend	30.00	2,306,733	25.00	1,620,213
Unrecognised amounts				
Fully paid ordinary shares				
Interim dividend	30.00	2,321,548	20.00	1,527,867

3. Changes in the composition of the consolidated entity

There have been no changes in the composition of the consolidated entity.
The wholly owned subsidiary, Wealthpac Australia Limited, has changed its name to Equity Trustees Superannuation Limited.

4. Subsequent events

On 9 January 2007 the execution of an agreement to settle a claim against the business was completed. The amount of Equity Trustees' liability was limited to the insurance deductible and this amount had been fully provided for in a prior year. Therefore, the settlement of this claim did not result in any additional expense to the company.

On 15 February 2007, the Group entered into a Heads of Agreement with Australian Unity Investments in relation to the transfer of a superannuation masterfund and portfolio service representing approximately $150m in funds under management. The acquisition is subject to satisfactory due diligence and trustee and regulatory approval. Until these processes have been completed and an unconditional agreement signed, the acquisition price or the financial impact of the acquisition cannot be accurately quantified. It is proposed that this acquisition be incorporated into the Wealthpac business operated by a wholly-owned subsidiary, Equity Trustees Superannuation Limited.

5. Contingent liabilities and contingent assets

Contingent liabilities exist in respect of certain trust and estate accounts that are overdrawn, however, these contingent liabilities are mitigated by the assets held by these trust and estate accounts which are considered ample to cover any contingent liability.
There are no contingent assets (2005: nil).

6. Segment information

	Half-year ended 31-Dec-06 $	Half-year ended 31-Dec-05 $
Segment revenues		
Funds Management	6,803,429	5,657,469
Trustee Services and Responsible Entity	8,446,990	5,234,599
Total all segments	15,250,419	10,892,068
Unallocated	552,417	649,544
Consolidated	15,802,836	11,541,612
Unallocated includes the following:		
Gains/(loss) on sale of investments	-	(10,469)
Other investment income	552,417	660,013
Total unallocated	552,417	649,544

6. **Segment information (cont'd)**

	Half-year ended 31-Dec-06 $	Half-year ended 31-Dec-05 $
Segment results		
Funds Management	3,069,179	2,808,907
Trustee Services and Responsible Entity	4,887,692	2,296,212
Total all segments	7,956,871	5,105,119
Unallocated	(2,711,342)	(2,447,399)
Profit from ordinary activities before income tax	5,245,529	2,657,720
Income tax expense relating to ordinary activities	(1,596,008)	(755,488)
Profit from ordinary activities after income tax	3,649,521	1,902,232
Unallocated includes the following:		
Gains/(loss) on sale of investments	-	(10,469)
Other investment income	552,417	660,013
Business support services	(3,263,759)	(3,096,943)
Total unallocated	(2,711,342)	(2,447,399)

7. **Issuances of equity securities**

	Half-year ended 31-Dec-06		Half-year ended 31-Dec-05	
Fully paid ordinary shares	No. of shares	$	No. of shares	$
Opening balance 1 July	7,683,444	26,122,159	6,480,850	14,205,108
Issue of shares under employee share plan, net of share issue costs	5,665	101,053	-	-
Issue of shares under share placement and share purchase plan, net of share issue costs	-	-	1,101,440	10,650,612
Issue of shares under dividend reinvestment plan - final dividend, net of share issue costs	49,384	958,438	57,047	654,900
Income tax expense recognised directly in equity	-	15,732	-	-
Closing balance 31 December	7,738,493	27,197,382	7,639,337	25,510,620

Deloitte.

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060

180 Lonsdale Street
Melbourne VIC 3000
GPO Box 78B
Melbourne VIC 3001 Australia

DX 111
Tel: +61 (0) 3 9208 7000
Fax: +61 (0) 3 9208 7001
www.deloitte.com.au

Independent Auditor's Review Report to the members of Equity Trustees Limited

We have reviewed the accompanying half-year financial report of Equity Trustees Limited, which comprises the balance sheet as at 31 December 2006, and the income statement, cash flow statement, statement of recognised income and expense for the half-year ended on that date, selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year as set out on pages 5 to 12.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Equity Trustees Limited's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Equity Trustees Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Equity Trustees Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the company's financial position as at 31 December 2006 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU

Peter A Caldwell
Partner
Chartered Accountants
23 February 2007

Equity Trustees Limited

Half-Year Results to

31 December 2006

Themes

EQUITY Trustees

- Record first half-year result
- Achieved through:
  - Growth across all business units
  - Cost management
  - Favourable market conditions
- Strategy delivering growth
- Benefiting from legislative changes
- Further expansion to come in 2007

Trusted since 1888

A record 1st half....

EQUITY Trustees

	2007	vs 2006
Revenue	$15.8m	+36.9% ↑
Reported Profit (post-tax)	$3.7m	+91.9% ↑
Underlying Profit (post-tax)*	$3.7m	+53.3% ↑
EPS	47.35¢	+76.0% ↑
DPS (fully franked)	30¢	+50.0% ↑

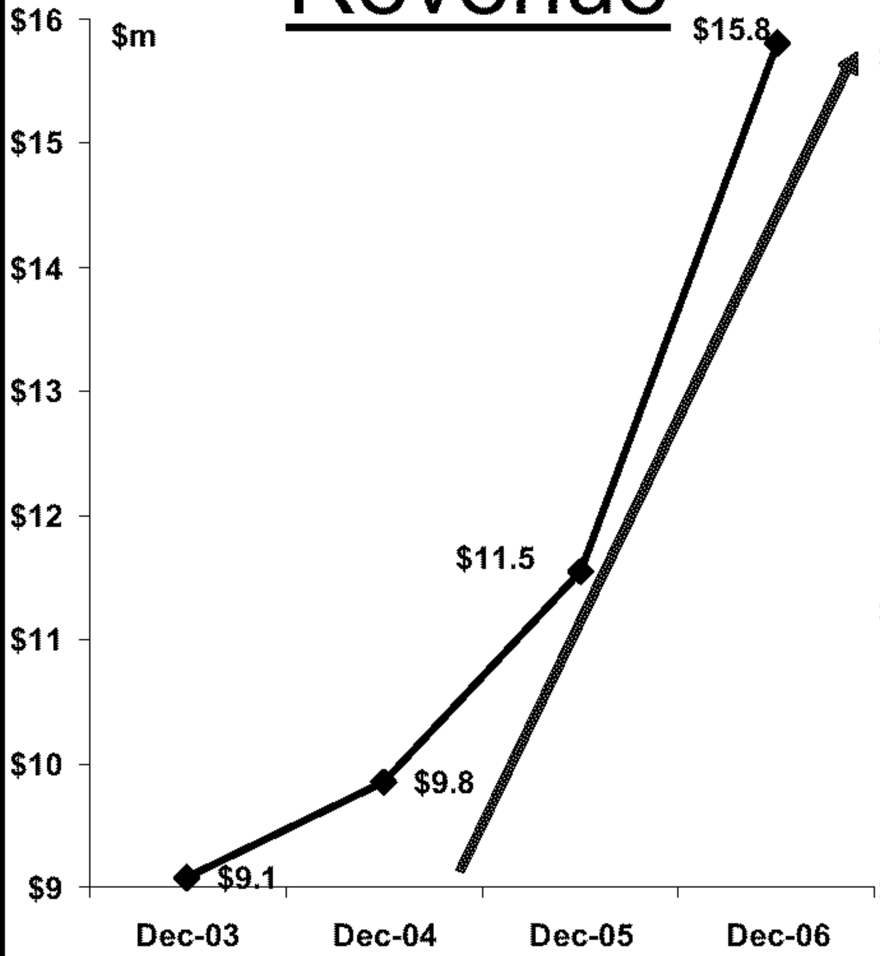
* Excludes the impact of legal costs in 2006 relating to the previous acquisition ($478,443)

Trusted since 1888

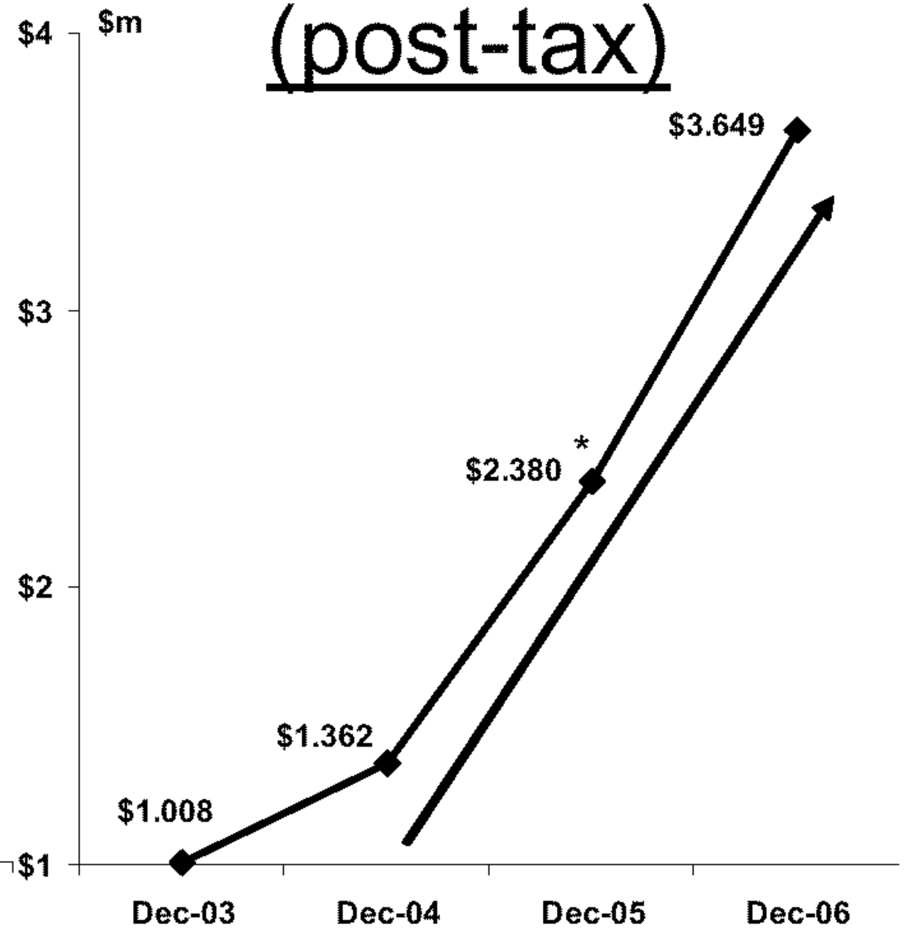
Historical Comparison

Trusted since 1888

Revenue



Underlying Profit (post-tax)



* Excluding legal costs of the Wealthpac acquisition

Achieved through…

EQUITY Trustees

- Growth in all business units
- Cost management - sensible approach
- Implementation of strategy
- Strategy delivering growth
- Expansion plans being executed
- Sales and Marketing focus
- Focus on operating margin….

	Dec '06	Dec '05	Dec '04
Pre- Tax Margin (underlying profit)	**33.2%**	**27.1%**	**20.2%**

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Business Units

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Funds Management	• Sales & marketing function for EQT branded funds • Support to fund managers
Private Clients	• Wealth management • Trusts & estates • Philanthropic services
Fund Services	• Responsible entity roles • Corporate trusts • Approved trustee roles
Superannuation	• Master-trust • Approved trustee • DIY (through Private Clients)

Revenue

Business Unit	Revenue	vs Dec05	Comments
Funds Management	$4.3m	+17.3%	• Good FUM inflows • Overcoming margin squeeze • Strong funds' performance
Private Clients	$4.9m	+70.4%	• Impact of fee improvements • Well positioned for DIY Super • Portfolio Manager focus
Fund Services	$3.5m	+50.3%	• Strong demand from existing and new clients for RE services • Consistent corp trust business
Superannuation	$2.6m	+29.0%	• Focus on brand • Increase in master-trust FUM • Solid operating base
Investment income (excl inv gains)	$.49m	-25.3%	
Total	**$15.8m**	**+36.9%**	

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Earnings per share

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- Change in shares on issue - 6 months to 31/12/06

Opening balance at 1/7/06	**7,683,444**
Issues under employee and share purchase plan	5,665
Dividend reinvestment plan	49,384
Closing balance at 31/12/06	**7,738,493**

- Earnings per share (half-year results):

¢ per share	**Dec 06**	**Dec 05**	**Dec 04**	**Dec 03**
Basic	**47.35**	26.83	25.04	20.78

Dividends

EQUITY Trustees

- **30¢ per share**, fully franked
- **D**ividend **R**einvestment **P**lan reactivated
- DRP shortfall underwriten
- At December 2006, franking credit balance = **$5.6m** (vs $4.3m as at Dec 2005)
- Dividends declared (historical comparison)

¢ per share	**Dec 06**	**Dec 05**	**Dec 04**	**Dec 03**
Interim Dividend	**30**	20	15	10

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Balance Sheet

EQUITY Trustees

- Shareholders funds up $3.2m to **$39.5m**
- Investment portfolio includes unrealised gains of $5.7m (vs $4.9m at Dec 05)
- Reserve requirements more than adequately met through net asset position and liquid reserves
- Free-cash position strong for M&A activity

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FUM

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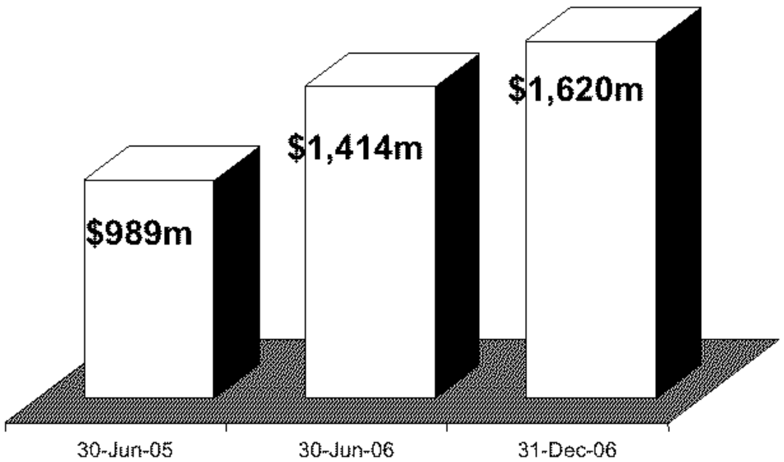
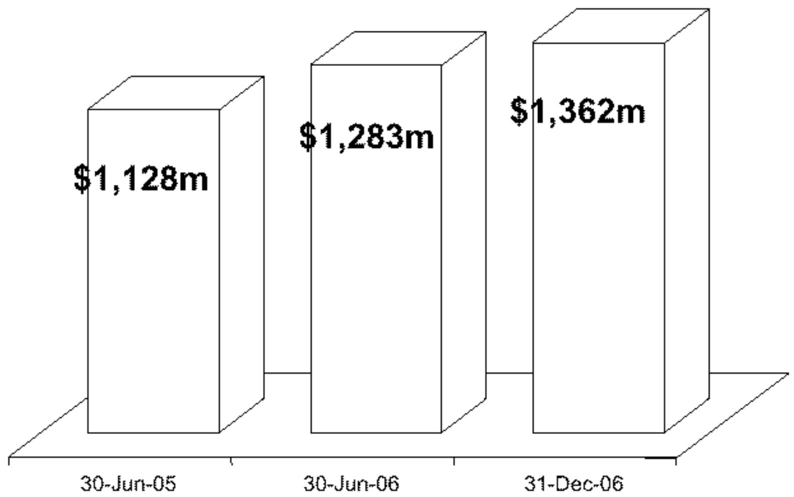
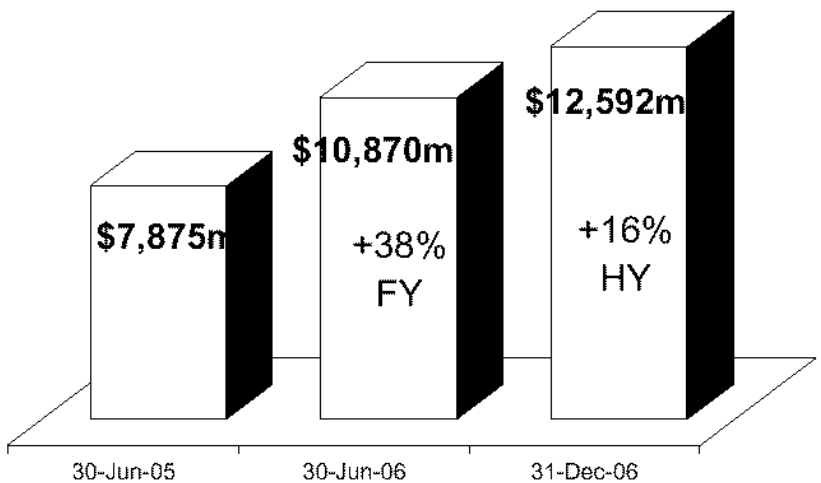
Funds Management Retail / IDPS



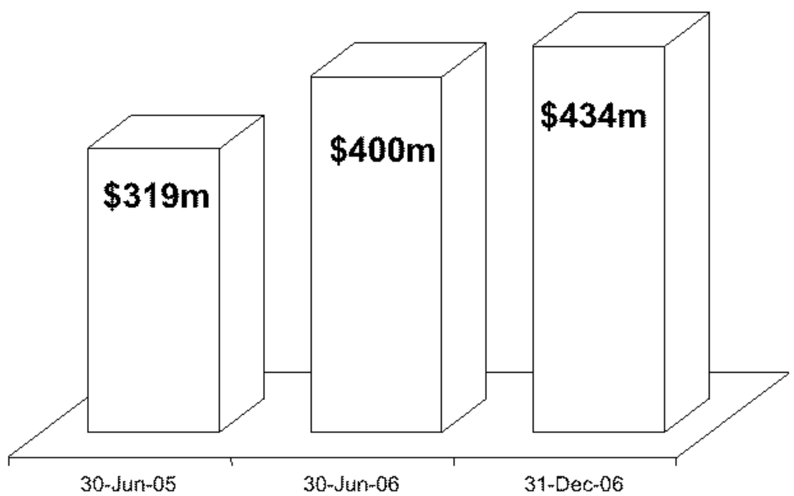
Private Clients



Fund Services



Superannuation



Strategy Update

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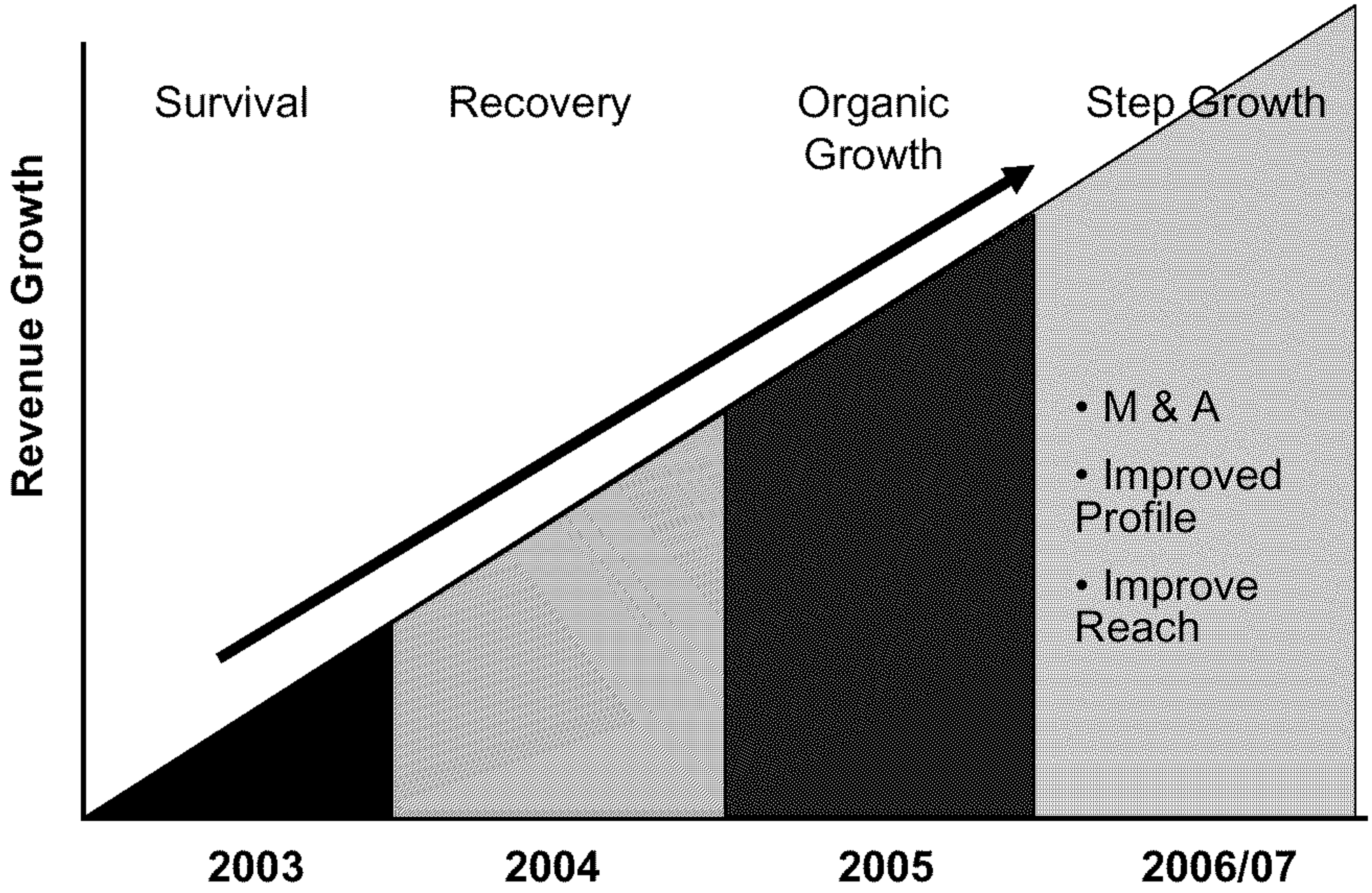

Improve Reach

- In negotiations to purchase Superannuation Freedom of Choice Master trust and IDPS from Australian Unity
- Equity Trustees Superannuation Ltd to build Sydney base for superannuation and funds management sales
- Manager appointed to generate growth in Queensland market in key business units

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Outlook

- Business units to capitalise on first half result
- Develop further acquisition opportunities
- Positioned for superannuation changes
- Leverage Queensland opportunities through the new office/presence
- Operating environment remains favourable for all business units
- Inclusion in the All Ords. index from March '07

In the absence of any significant market fluctuations, we forecast a year-on-year increase in underlying after-tax profit in excess of 30%

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Share price

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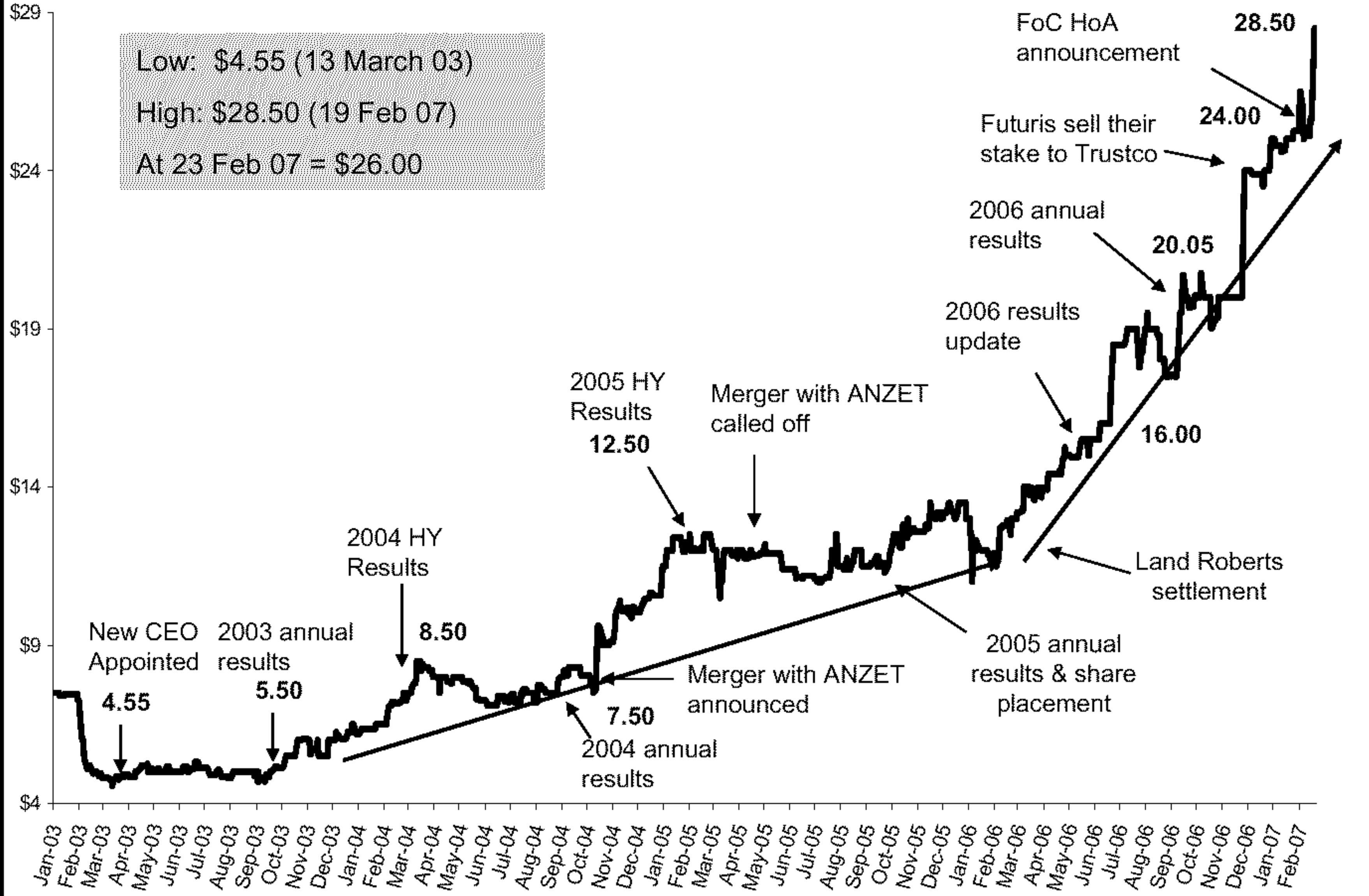

EQUITY Trustees

EQUITY
Trustees

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