Austock Group Limited

Interim results presentation

For six months ended 31 December 2008

25 February 2009

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Contents

- Market overview
- Financial overview
- Underlying earnings
- Balance sheet
- Cashflow
- Segment review
  - Corporate and Securities
  - Investment Management
- Restructure update
- Trading update and outlook
- Summary
- Questions

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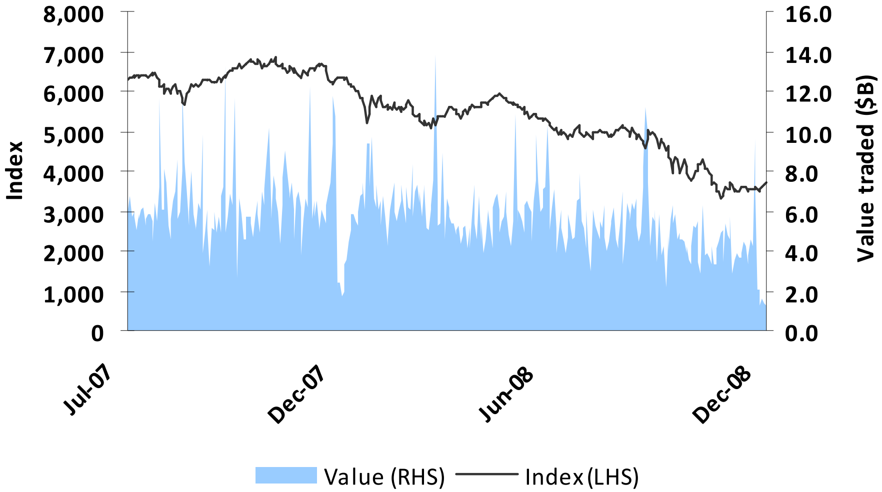
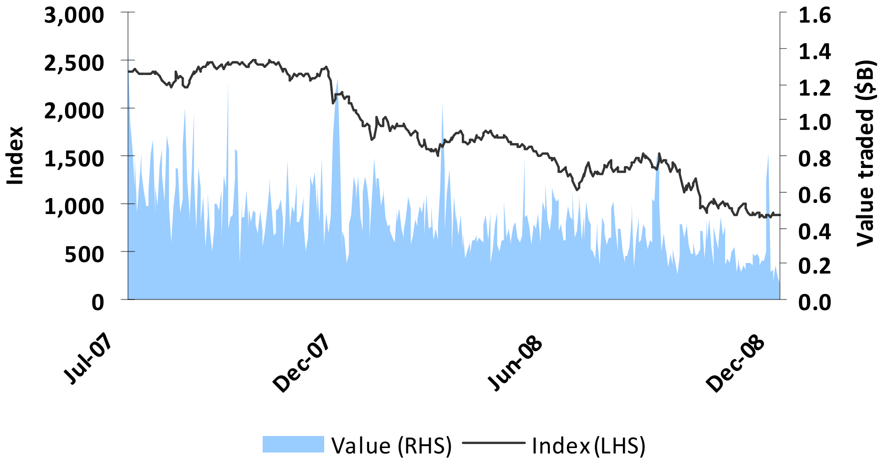
Market overview

ASX 300



- Drastically reduced traded value
  - Average daily $ value traded on ASX 300 has dropped 24% between 1H08 and 1H09

ASX 300 PROPERTY



Source: IRESS

- Major indices across the board have dropped substantially since start of 1H08
  - ASX 200 and 300 have each dropped 41%
  - Small Ords has dropped 57%
  - ASX 300 Property index has dropped 63%

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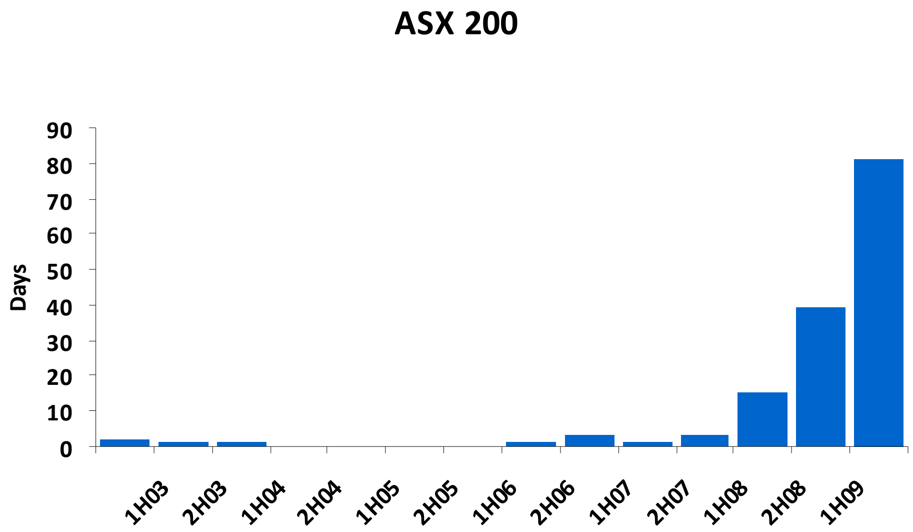
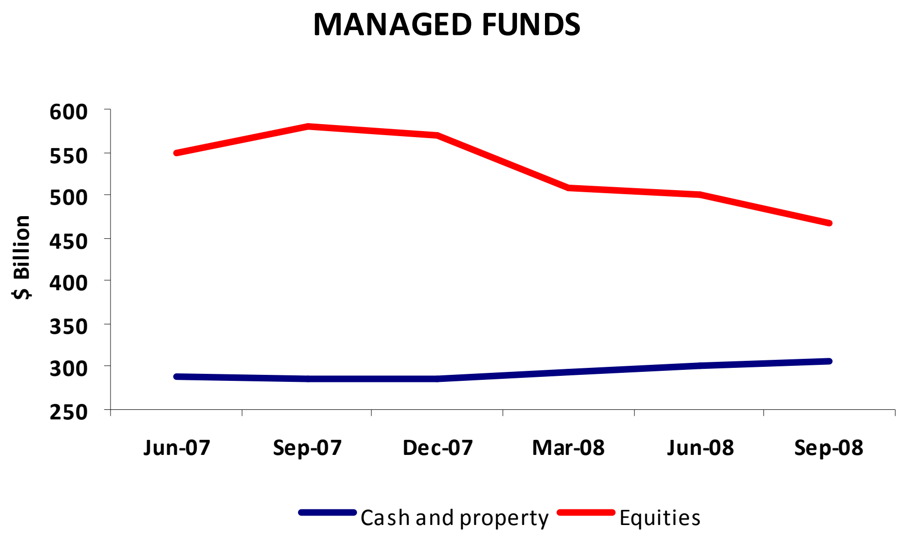
Market overview



- Unprecedented volatility
  - In the last 6 months there were 81 trading days where intra-day movements were 2%+ compared to 64 days in the previous 6 years.



- Shift in managed funds profile
  - Overall decline of 5.5% between Jun-07 and Sep-08
  - Equities asset class declined 15% but defensive asset classes like cash and property have increased 6% combined

Source: IRESS, ABS

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Financial overview

Operating result *($m unless stated)*	**1H09**	**2H08**	**1H08**
Revenue	**25.1**	**28.2**	**43.8**
Personnel costs *(excl Bonuses)*	(16.6)	(20.2)	(19.1)
Other operating costs	(7.3)	(9.5)	(13.5)
Underlying profit before income tax	**1.2**	**(1.5)**	**11.2**
Tax	0.1	0.8	(2.4)
Underlying profit after tax	**1.3**	**(0.7)**	**8.8**
Impairment charges	(15.9)	(2.7)	-
Losses from discontinued operations	-	(5.3)	-
Profit on sale of APX	0.5	-	-
Reported profit after tax	**(14.1)**	**(8.7)**	**8.8**

Underlying result excludes Austock Life benefit funds, impairment charges and losses from discontinued operations

- Revenue down due to declining brokerage volumes
- Improvement in underlying profit due to tighter cost control, particularly staff costs

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Underlying earnings

Reconciliation of underlying earnings *($m)*	
	1H09
Underlying profit after tax	**1.3**
Impairment charges	
ABC Learning Centres	*(4.0)*
Property management rights	*(10.4)*
API Fund closure	*(1.1)*
Austock Agribusiness	*(0.5)*
Profit on sale of APX	0.5
Reported loss after tax	**(14.1)**

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Balance sheet

Balance sheet *($m)*		
As at end	**1H09**	**2H08**
Cash	27.7	28.3
Cash held in trust	3.3	5.1
Financial assets	7.7	8.0
Intangible assets	5.5	15.9
Tax assets and liabilities	4.0	5.6
Trade receivables and payables	(2.7)	3.5
Borrowings	(6.2)	(7.2)
Other assets and liabilities	(4.9)	(10.0)
Net assets	**34.3**	**49.3**

Excludes Austock Life benefit funds

- Cash has been maintained on a net cash basis (including borrowings)
- Decline in Intangible assets relates to impairment charges

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Cashflow

Reconciliation of cash movements *($m)*	
	1H09
Opening cash *(excluding Trust cash)*	**28.3**
Underlying profit / (loss) before tax and interest	1.2
Add back non cash items	
Interest accruals	(0.4)
Depreciation and amortisation	0.5
Share based payments	0.5
Bonus payments	(4.2)
Net interest received / (paid)	0.3
Tax refunded / (paid)	2.0
Dividends received / (paid)	(1.2)
Loan repayments	(1.0)
Other cashflows	1.7
Closing cash *(excluding Trust cash)*	**27.7**

Underlying result excludes Austock Life benefit funds, impairment charges and losses from discontinued operations

- Maintenance of cash levels despite:
  - payment of bonus and dividend commitments from FY08
  - repayment of borrowings
- Partially offset by a tax refund

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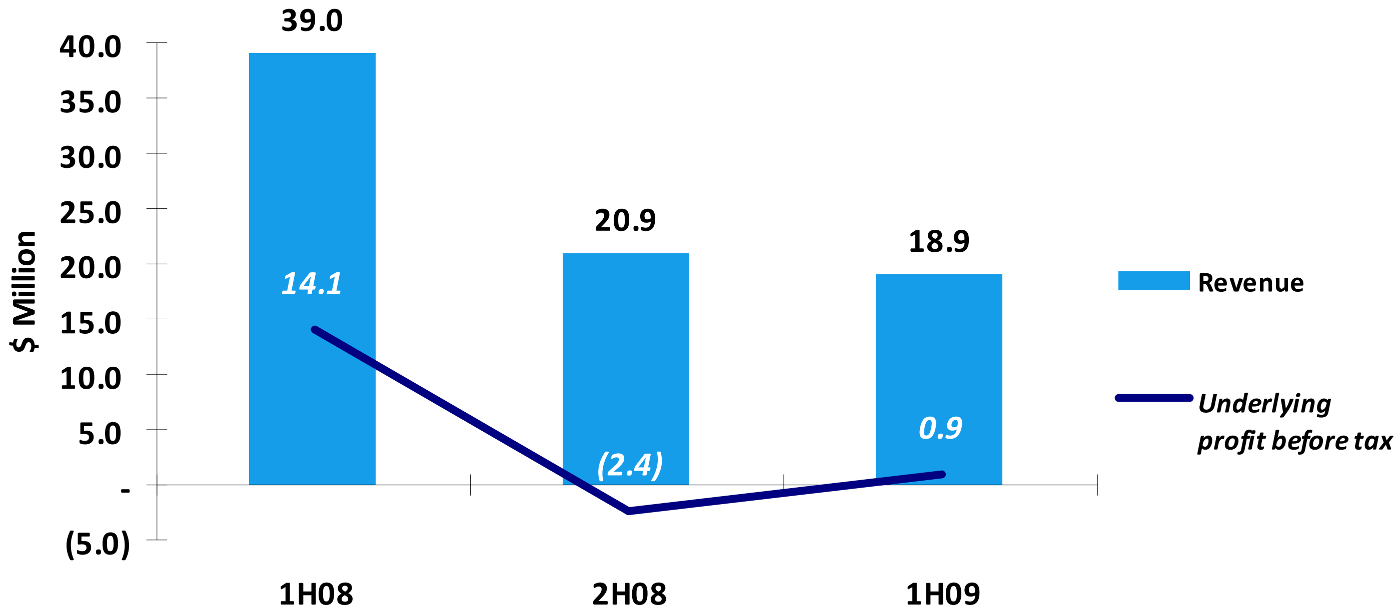
Segment review – Corporate and Securities



Corporate Finance

- FY09 transactions completed
  - Northern Energy and Terramin
  - QGC takeover of Sunshine ($830m)
  - BG Group takeover of QGC ($5.6b)
  - Sims Group

Securities

- 24% decline in total market volumes between 1H09 and 1H08, impacting brokerage
- Insto generally maintaining market presence with new account management plans and products
- Private Wealth suffering from decreased volumes and investor confidence. Lower revenues partially offset by cost savings
- Financial Planning still in building phase - FUM >$100m
- Research coverage continuing to increase and Starmine recognition continues despite reductions in team size

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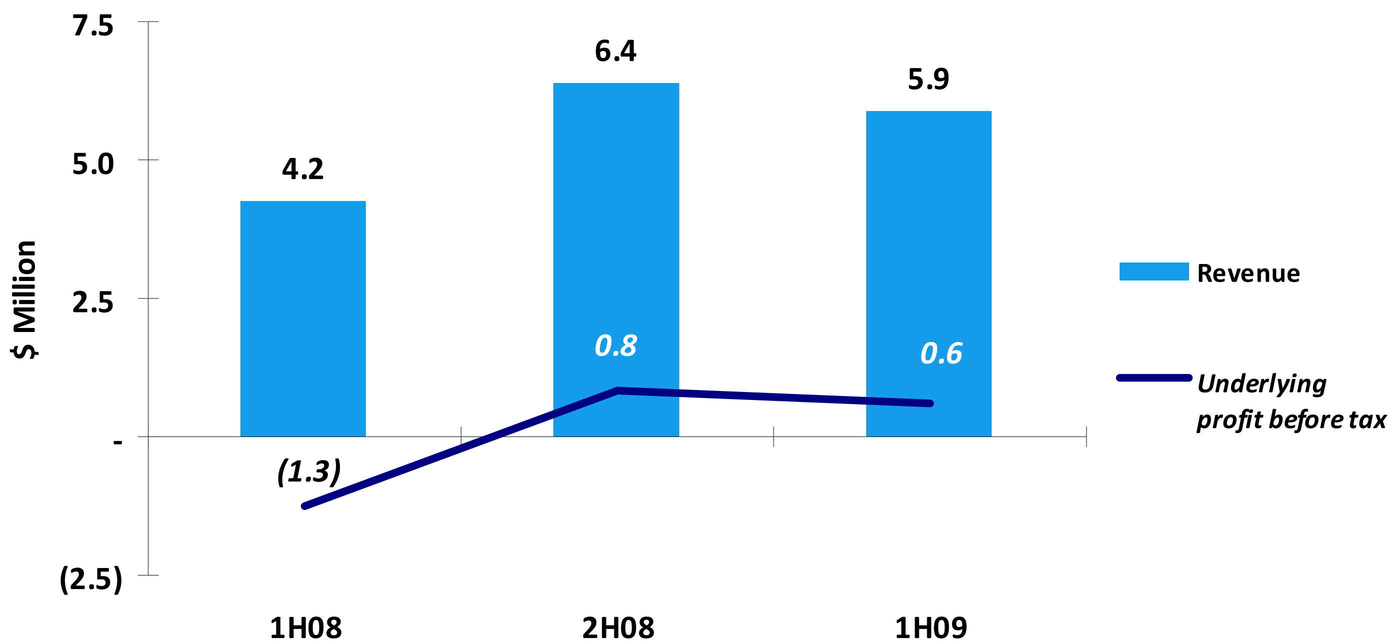
Segment review – Investment Management



Property (FUM $762m)

- FUM down 6% from Jun-08 but flat against Dec-07
  - ASX 300 Property index down 37% since Jun-08
- Restructure completed
- Generally comfortable with tenancy outlook
- API Fund being wound up

Asset Management (FUM $260m)

- FUM down 15% from Jun-08 and 30% from Dec-07
- Continuing product development

Life (FUM $113m)

- Imputation Bond FUM up 7% from Jun-08 and 25% from Dec-07
- Defensive, strategy based product very attractive in current market conditions.

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Restructure update

Group wide

- $7 million cost savings identified at AGM now implemented
- A further $3 million identified and to be implemented by June 2009. This will be primarily driven by:
  - Voluntary salary reductions
  - Headcount reductions
  - Discretionary spending savings
- Headcount now reduced by more than 25% since Jan-08 peak

Non Core Assets

- Austock Agribusiness closed and settlement on sale of asset scheduled for 27 February
- APX settled
- Other assets continue to be reviewed

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Trading update and outlook

- Global markets continue to experience unprecedented uncertainty
- Costs continue to be reviewed and cut where possible
- Outcomes from ABC administration becoming clearer
  - Tenancy agreements appear stable for short term
- Life FUM continues to increase
- Review of non-core investments continues
- Austock remains well capitalised
  - Capacity to deal with increased ASX liquidity requirements
- Cash preservation is a key objective

Summary

- Continued market uncertainty
- Costs being actively managed
- Cash being preserved and strong compared to our peers
- Strategically positioned

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Questions

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Thank you

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