Austock Group Limited

Interim Results Presentation
For the half year ended 31 December 2009

26 February 2010

Presented By: **Tim Boyle, Managing Director**

Contents

Austock Group

1. Core Focus

Cash position remains strong & low cost base maintained

- Cash balance of $17.8m (pre-Registries settlement).
- Reduction in overall cost base being maintained.

Focus returned to Core Businesses

- Investment Management businesses remain solid with FUM improving in line with the global market recovery.
- Strong growth in Life business with $34.1m inflows in 1H10.
- Investment in Registries sold at a profit of approximately $5.8m (subject to ACCC final approval).

Established a scalable platform for growth

- Several new senior revenue-generating executives now established in Sydney and Melbourne.
- Key new independent board appointments – Steven Gregg and Kevin Clarke.
- New Chief Executive announced on 23 February – Paul Masi.

2. Financial Overview: Summary

1. Revenue of $18.4 million, a decrease of 26.7% from the previous corresponding half.

2. A reported[1] loss after tax of $0.9 million, an improvement from $14.1 million reported loss in the previous corresponding period.

3. Cash reserves remain strong at $17.8 million (excluding Life benefit funds, Trust cash and Registry sale proceeds).

Austock Group

[1] Underlying earnings exclude discontinued operations, impairment losses and Life benefit funds.

2. Financial Overview: Operating Result

Operating results *($m unless stated)*			
Half year ended 31 December	**2009**	**2008**	**% Change**
Revenue	**18.4**	**25.1**	**(26.7%)**
Personnel costs	(13.9)	(15.7)	(11.5%)
Operating costs	(6.1)	(7.0)	(12.8%)
Underlying profit / (loss) before income tax	**(1.6)**	**2.4**	
Income tax	0.7	(0.1)	
Impairment charges	-	(15.9)	
Losses from discontinued operations	-	(0.5)	
Reported profit (loss) after tax	**(0.9)**	**(14.1)**	

Note: Excludes Life benefit funds.

- 2008 has been reclassified due to Austock Asset Management being shown as a discontinued operation.
- Revenue directly correlated to recovering trading conditions (book-to-bill time lag on corporate deals).
- Reduced cost base being maintained into 2010.
- No “one off” items.

2. Financial Overview: Revenue Analysis

Revenue *($m unless stated)*			
Half year ended 31 December	**2009**	**2008**	**% Change**
Corporate & Securities	14.7	19.0	(22.6%)
Investment Management	3.5	5.9	(40.7%)
Other	0.2	0.2	
Total Revenue	**18.4**	**25.1**	**(26.7%)**

- Corporate and Securities activity remains subdued. New team now established and pipeline is building. Performance is expected to build throughout 2010.
- Investment Management revenue remains relatively stable after excluding revenue from Austock Property Services (which has been restructured) and the divestment of Austock Asset Management.

Austock Group

2. Financial Overview: Expense Analysis

Expenses *($m unless stated)*			
Half year ended 31 December	**2009**	**2008**	**% Change**
Personnel	13.9	15.7	(11.5%)
Occupancy	0.7	0.8	(12.5%)
Communications	0.4	0.5	(20.0%)
Finance	0.3	0.4	(25.0%)
Dealing & settlement	2.1	2.1	0.0%
Marketing & promotion	0.6	0.8	(25.0%)
Depreciation	0.4	0.5	(20.0%)
General administrative	1.6	1.9	(15.8%)
Total	**20.0**	**22.7**	**(11.9%)**

Note: Doesn't include share of associates or impairments

- Focus on maintaining costs has seen Expenses reduce by $2.7m (11.9%) from the previous corresponding period.

Austock Group

2. Financial Overview: Cashflow Statement

Cashflow *($m unless stated)*	
Half year ended 31 December	**2009**
CASHFLOWS FROM OPERATIONS	
Customer receipts	17.7
Supplier payments	(18.6)
Interest paid	(0.2)
Tax refund (payment)	1.0
Operating cashflow	**(0.1)**
Interest received	0.2
Net borrowings	(0.4)
Pemeca guarantee	(1.8)
Treasury shares	(0.5)
Other	(0.2)
Total cashflow	**(2.8)**
Opening cash*	20.6
Closing cash*	17.8

Note: Excludes cash held in trust and Life benefit funds.

- Operating cash flow virtually breakeven.
- Pemeca guarantee payment of $1.8m in relation to residential school investment issues – this was provided for at 30 June 2009. A proportion of this may be recoverable in second half.

Austock Group

2. Financial Overview: Balance Sheet

Balance Sheet *($m unless stated)**		
	31-Dec-09	**30-Jun-09**
ASSETS		
Austock cash	17.8	20.6
Trust cash	2.6	4.5
Receivables	37.6	51.2
Other current assets	2.2	1.6
Financial assets	8.5	2.9
Intangible assets	5.2	5.3
PPE	1.1	1.3
Net tax assets	5.6	6.7
Total assets	**80.6**	**94.1**
LIABILITIES		
Payables	39.5	55.0
Provisions	3.2	5.2
Borrowings	4.8	5.2
Other liabilities / (assets)	2.0	2.2
Total liabilities	**49.5**	**67.6**
Net assets	**31.1**	**26.5**

Note: Excludes Life benefit funds.

- Strong cash balance.
- Receivables and payables mostly represent securities T+3 settlements.
- Financial assets is predominantly investment in Newreg.
- Borrowings includes $4.1m with BankWest in relation to the Ceramic acquisition in 2007, which are due for repayment this financial year.

Austock Group

3. Segment Review: Corporate & Securities

Corporate Finance & ECM

1. Strong pipeline, however delay to convert potential transactions into revenue due to the nature of ECM and M&A activity (high book-to-bill ratio).
2. New team now established and expected to deliver improved performance throughout 2010.

Securities

1. Internal focus on developing & implementing long-term Securities growth strategy across both Private Wealth and Institutional businesses.
2. Financial Planning continuing to grow FUM – currently $150 million.

Austock Group

3. Segment Review: Investment Management

Property

1. Examining strategic and acquisitive options for business to enhance FUM and earnings.
2. ABC issues with respect to AET now nearing closure.
3. Strong and highly scalable team in place to manage growth.

Life

1. Multi-facet growth strategy, including:
   - Examining several prospective acquisitions in 2010.
   - Ongoing strong organic growth ($8.5m FUM inflow in Dec09 alone).

Disclaimer

General Disclaimer

This presentation has been prepared by Austock Group Limited ABN 90 087 334 370 ("Austock").

The information in this presentation is based on data obtained from recognised statistical services, company presentations or communications or other sources believed to be reliable. However, Austock has not verified this information. Austock believes that the information in this presentation is accurate and reliable, but no warranties of accuracy, reliability or completeness are given (except insofar as liability under any statute cannot be excluded). Austock does not accept responsibility for any errors, omissions or negligence. Statements that are nonfactual in nature, including projections and estimates, assume certain economic conditions and industry developments and constitute only current opinions, all of which are subject to change.

The information contained in this presentation is for information purposes only and does not constitute an offer of, or a recommendation to buy, securities.