MEDIA RELEASE

IOOF PAVES WAY FOR FURTHER GROWTH FOLLOWING LISTING

Two months after listing on the ASX, IOOF Holdings Ltd has announced its half-yearly results with strong growth in both earnings and Funds under Management and Administration (FUMA).

Announcing details, IOOF Group Managing Director, Rob Turner, said net profit after tax of $11.7m for the six months to December 31 represented a 129 per cent increase on the corresponding period a year before.

"Cash earnings increased to $8.5m compared to $1.6m for the previous corresponding period while the ratio of operating expenses to gross margin reduced by 14 per cent" he said.

Meanwhile FUMA has risen to $13.5 billion, "an increase of 14 per cent over the six months against an industry growth rate of 10 per cent. Both IOOF Retail and Perennial Wholesale net inflows were very pleasing"

Retail FUMA for the six months was already at $9.6 billion, exceeding the 2004 full year forecast of $9.4 billion contained in the ASX listing prospectus. "The Group's stronger retail inflows were in part due to the increased representation of IOOF / Perennial products on third party Master funds and Wraps", Mr Turner said

"Our continuing growth has been facilitated by the successful integration and increased scale benefits of the AM acquisition, with fund retention greater than anticipated," Mr Turner said.

With cash earnings up 445 per cent from $1.6m to $8.5m and a balance sheet holding $70m in cash, Mr Turner predicted strong continuing growth for the group. "Given a continuation of current market conditions, the Board and management of IOOF expect the full year performance to exceed prospectus forecasts," he said.

As an update to a material item referred to in the Prospectus, Mr Turner was "pleased to advise that negotiations with the senior executives of Perennial Value Management Ltd had been agreed and finalised." Continued recognition of the IOOF/Perennial performance is reflected in the nomination for the Morningstar 2003 Fund Manager of the Year.

Commenting on the search for a replacement for Mr Turner, IOOF Chairman, Ray Schoer, said the executive search group had produced a good field of candidates.

"Meetings will be held with these candidates over the coming weeks", Mr Schoer said.

Mr Schoer said that "the Board and management were very focussed on maintaining organic growth, whilst also exploiting opportunities for further growth through development of its distribution network and acquisitions."

For further enquires contact:
Robert Turner, Managing Director
Ph: 03 86144873

Peter Wilms
Ph: 03 9509 2670
Mob: 0418 559 281

IOOF Holdings Ltd ABN 49 100 103 722
303 Collins Street Melbourne VIC 3000
GPO Box 264C Melbourne VIC 3001
Telephone 13 13 69 www.ioof.com.au