Treasury Group Ltd

26 July 2012

TREASURY GROUP LIMITED
FUNDS UNDER MANAGEMENT AS AT 30 JUNE 2012

Treasury Group Limited’s (TRG) total Funds under Management (FUM) as at 30 June 2012 was $16.38 billion, representing a decrease of 2.25% in FUM over the 2011/12 financial year.

During the year, TRG associated boutiques saw net inflows of $445 million. The net flows were attributable to RARE Infrastructure, IML, Trilogy and Celeste partially offset by outflows in Orion, GVI and AR Capital. Excluding the impact of boutiques restructured during the year (GVI and AR Capital) FUM was relatively flat compared to the prior year.

Breakdown of FUM by boutique manager

Manager	**June 2012 $m**	**June 2011 $m**	**June 2010 $m**
Investors Mutual (IML)	2,847	2,600	2,888
Orion Asset Management (Orion)	3,577	5,167	5,065
Global Value Investors (GVI)	122	474	551
Treasury Asia Asset Management (TAAM)	649	715	1,097
RARE Infrastructure (RARE)	4,893	4,226	2,586
Trilogy Global Advisors (Trilogy)*	3,385	2,865	1,932
AR Capital Management (AR Capital)	28	85	85
Aubrey Capital Management (Aubrey)	230	216	217
Celeste Funds Management (Celeste)	532	414	287
Evergreen Capital[#]	121	-	-
TOTAL FUM	**16,384**	**16,762**	**14,708**

*****Trilogy Global Advisors is a New York based asset management business with whom Orion has a strategic alliance. TRG benefits from the distribution and administration commission paid to Orion on these funds. Unlike all other FUM, no funds management fees are earned on these funds

*****Evergreen FUM includes property JV FUM of approximately $65m as at 30 June 2012

Over the past 12 months, there has been continued diversification of TRG’s earnings and FUM by boutique, product and geography. TRG’s portfolio benefits from the strong earnings performance of established boutiques, all of which have the capacity for future growth, and provides exposure to future growth upsides from developing boutiques.

One pleasing aspect over the last 12 months has been the strong investment performance of IML and their growth in FUM. On the other hand, the underperformance in the resources sector has had an impact on the performance of Orion who has recently experienced some funds outflows.

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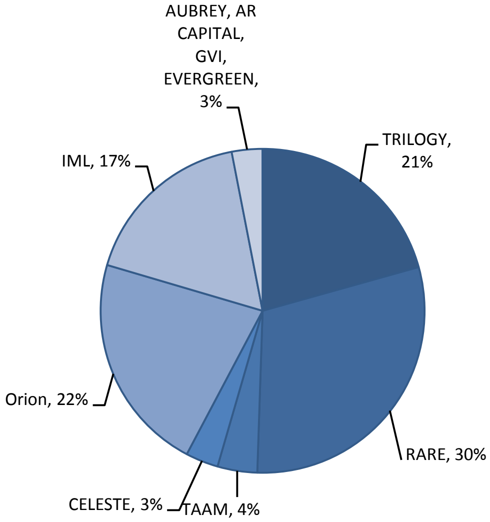
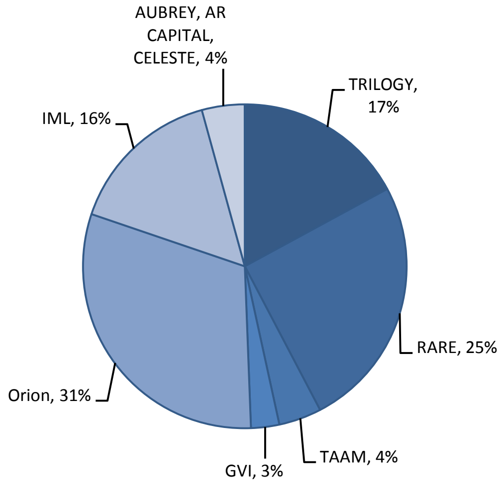
The charts below show FUM across each of the boutique managers as at 30 June.

June 2012

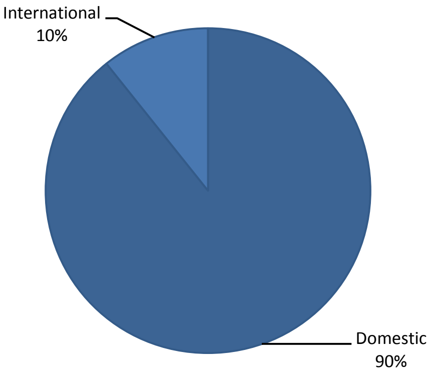


June 2011

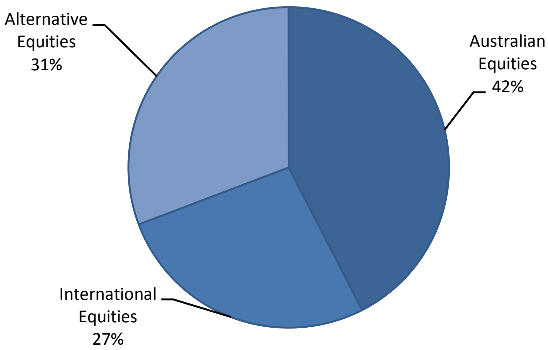


FUM diversity by Geography

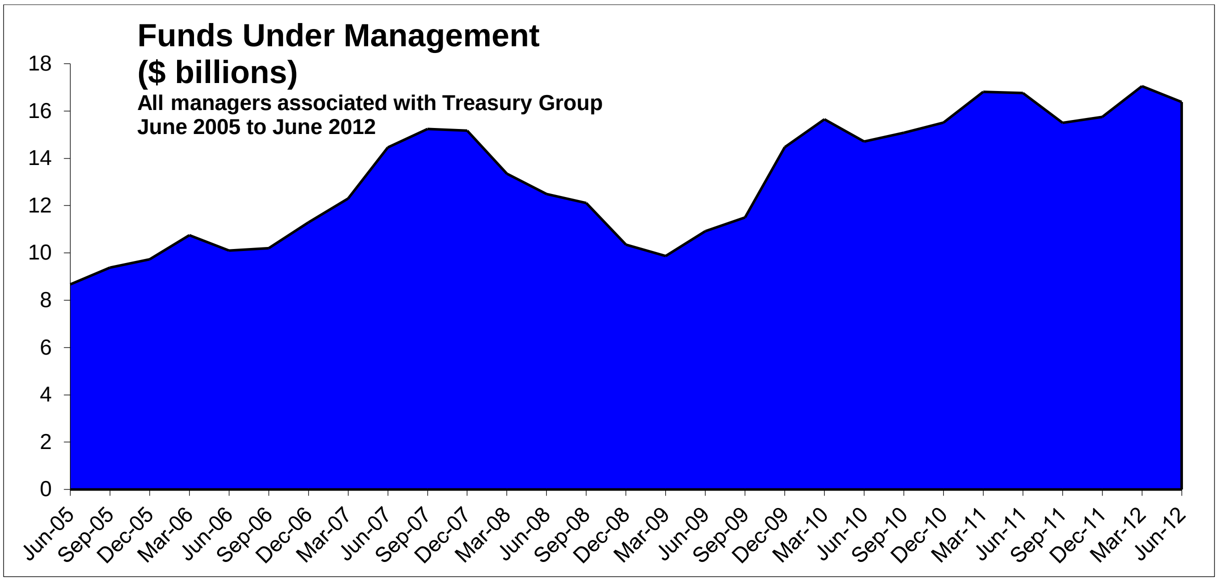
(source of client FUM)



FUM diversity by Product Style



The graph below shows the growth of FUM from all associated TRG asset management businesses from June 2005 to June 2012.



Institutional and Retail client mix

The growth in FUM over the past twelve months has been mainly sourced from institutional clients. Industry wide, the retail investor base remains cautious and as such flows have continued to fall.

Further details will be provided in the full year results announcement on 22 August 2012 as well as the Annual General Meeting scheduled to be held on 1 November 2012.

For further information

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TRG's FUM represents the total funds managed by Investors Mutual Limited, Orion Asset Management Limited, Global Value Investors Limited, Treasury Asia Asset Management Limited, RARE Infrastructure Limited, AR Capital Management Pty Limited, Aubrey Capital Management, Celeste Funds Management Limited and Evergreen Capital. It also includes Australian sourced funds managed by Trilogy Global Advisors, the New York based boutique asset management business with whom Orion has a strategic alliance and for whose pooled funds Treasury Group Investment Services Limited acts as responsible entity.