

Plan

B

GROUP
HOLDINGS
LIMITED



Half year Results Presentation

Half Year ended 31 December 2008

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The image features three stacks of silver coins of varying heights, positioned on a document that contains a line graph and some faint, illegible text. The coins are the primary focus, with their metallic texture and embossed details visible. The background document shows a line graph with several peaks and troughs, and some text that is mostly obscured by the coins and the overall light, faded aesthetic of the image. An orange banner with white text is overlaid at the bottom.

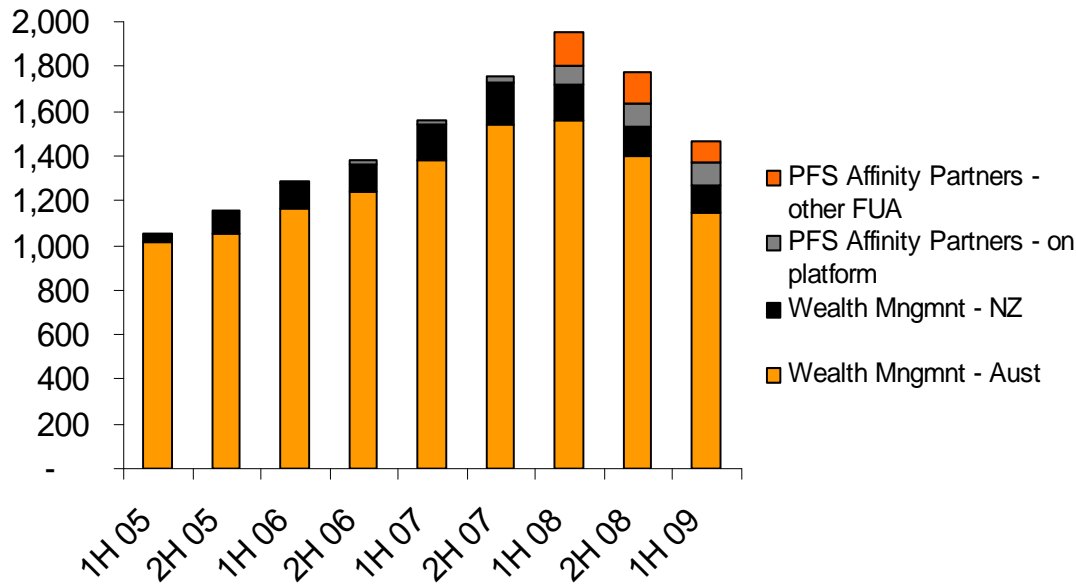
Financial Performance

1H 09 Financial Results

	1H 09	2H 08	1H 08	Change	
				1H 09 to 2H 08	1H 09 to 1H 08
FUMA (\$b)	1.46	1.77	1.95	(17.5%)	(25.1%)
Revenue (\$'000)	15,456	17,359	18,474	(11.0%)	(16.3%)
Operating expenses, before impairment & depreciation (\$'000)	12,719	13,905	14,329	(8.5%)	(11.2%)
EBITDA before impairment (\$'000)	2,743	3,395	4,147	(19.2%)	(33.9%)
<i>EBITDA margin</i>	<i>17.7%</i>	<i>19.6%</i>	<i>22.4%</i>	<i>(9.7%)</i>	<i>(21.0%)</i>
NPAT (excluding impairment) (\$'000)	1,668	2,141	2,669	(22.1%)	(37.5%)
NPAT (including impairment) (\$'000)	1,291	2,141	2,669	(39.7%)	(51.6%)
EPS before impairment (cents)	2.23	2.85	3.57	(21.8%)	(37.5%)
EPS including impairment (cents)	1.72	2.85	3.57	(39.6%)	(51.8%)
Interim DPS (cents)	1.1	n/a	2.0	n/a	(45.0%)

Funds Under Management, Administration or Advice (FUMA)

Total FUMA (\$m)



Total FUMA as at 31 December 08 down 25.1% on pcp

Small net outflow position for the half year – approx \$4m

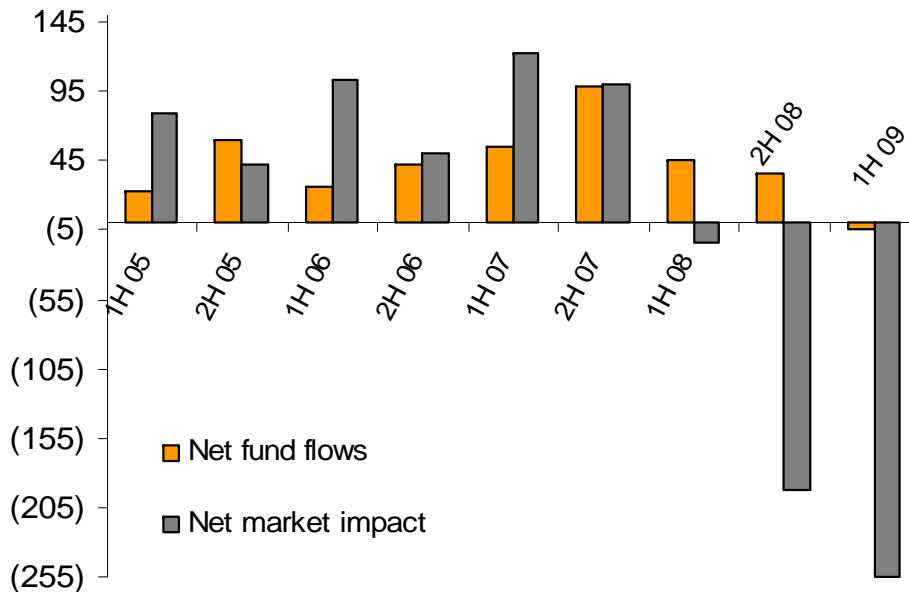
Gross outflows below average for FY08

PFS on-platform funds grew by 8.8% as compared to 30 June 08

Positive net inflows recorded in PFS Affinity Partner segment

FUMA – Analysis of movement

On-platform FUMA (\$'m)



3 successive half-years with increasing negative market returns

Average outflows per month below average in prior year – approx 5% of opening balance

Low commitment of new funds by clients has led to decline in level of gross inflows

Stable total client numbers

Reduced withdrawal activity despite market conditions – sound business fundamentals

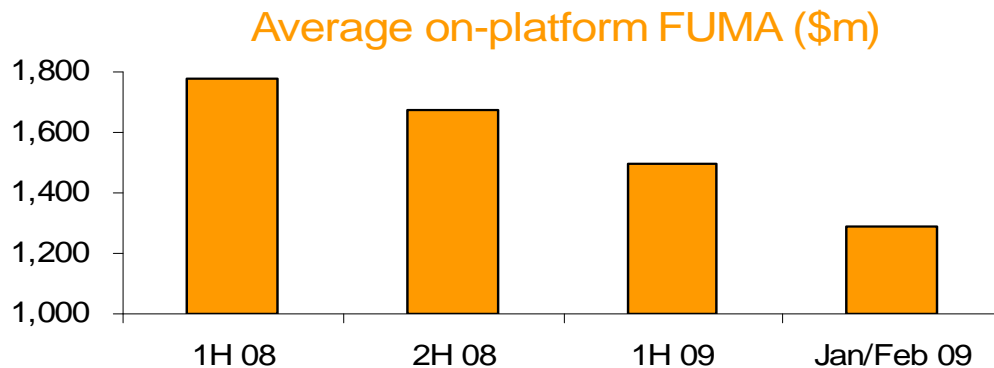
1H 09 Income Statement

	1H 09 \$'000	1H 08 \$'000	Change %
Revenue	15,456	18,474	(16.3%)
Total operating expenses	(12,719)	(14,329)	(11.2%)
EBITDA	2,743	4,147	(33.9%)
Depreciation and amortisation	(698)	(611)	14.2%
EBIT	2,045	3,536	(42.2%)
Net financing revenue	534	457	16.8%
NPBT	2,579	3,993	(35.4%)
Income tax expense	(911)	(1,324)	(31.2%)
NPAT	1,668	2,669	(37.5%)
EPS (cents)	2.23	3.57	(37.5%)

Amounts above exclude the impact of NZ goodwill impairment adjustment of A\$377,000

Revenue Analysis

- ◆ Change in revenue reflects underlying movement in FUMA



- ◆ Recurring revenue derived from FUMA balances as a percentage of total revenue was 91%
- ◆ Net non-FUMA sourced revenue showed good increases in the half under review – e.g. insurance revenues increased 26% and substantial increase in estate administration fees
- ◆ Average fee rates during the period remained stable and revenue capture as a proportion of FUMA remains high

Operating expenses

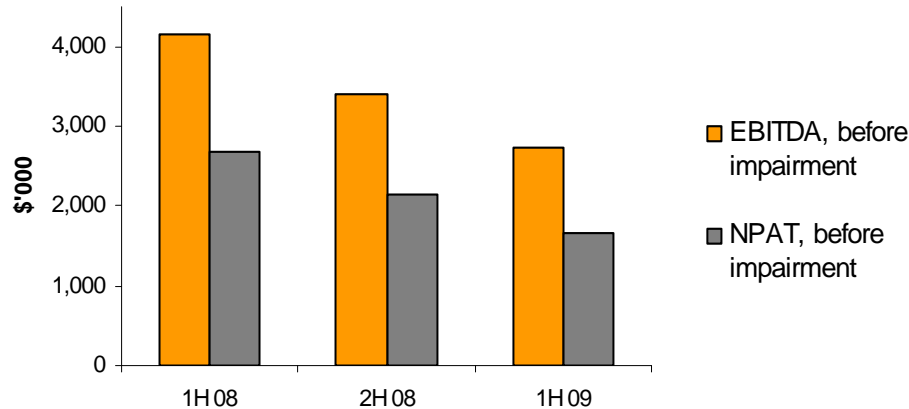
	1H09	2H08	1H08	Change	
				1H09 to 2H08	1H09 to 1H08
Staff costs	8,933	9,808	10,367	(8.9%)	(13.8%)
IT costs	370	303	236	22.1%	56.8%
Property & Equipment	998	1,037	978	(3.8%)	2.0%
Professional fees	857	931	844	(7.9%)	1.5%
Other operating costs	1,561	1,826	1,904	(14.5%)	(18.0%)
Total operating costs	12,719	13,905	14,329	(8.5%)	(11.2%)

- ◆ Employee benefit expenses constitute 70% of total operating costs and have decreased by 13.8% on pcp. This reflects the impact of the following:
 - lower average staff numbers (Dec 08 = 181; Dec 07 = 196);
 - decreases in individual and total director, executive and advisor salaries effective from Q2 FY09; and
 - declines in anticipated variable pay for FY09.

Operating expenses - continued

- ◆ Strong focus on general cost containment measures and productivity improvements throughout all business units
- ◆ The increase in IT costs reflects the cost of improved business process initiatives such as electronic document management and the introduction of workflow
- ◆ Property costs have remained reasonably stable over 18 month period – as previously flagged, accommodation costs set to increase in Q4 FY09 based on market reset for Perth head office
- ◆ Other operating cost savings include scale back of marketing initiatives, reduced travel costs and reductions to other general business operating costs
- ◆ Management reviewing staff numbers and evaluating opportunities for improved efficiencies – unlikely to substantially impact upon costs during the balance of FY09, but will lead to performance improvement in future periods

Profitability - Summary



- ◆ Margin contraction during the half-year reflects impact of FUMA decline –EBITDA margin “shored up” by
 - Maintenance of average fee rates
 - Positive impact of cost reduction measures
- ◆ Excluding the impact of goodwill impairment, margin declined to 17.7% (pcp = 22.4%)

**EBITDA of \$2.7m
before impairment**

**Impairment adjustment
reflects impact of
decline in short-term
revenue and growth of
NZ business**

**After impairment, NPAT
of \$1.3m for the half-
year**

**Fully franked interim
dividend of 1.1 cps
declared - 64% payout
ratio**

Cash flows

	1H 09 \$'000	1H 08 \$'000	Change \$'000
Operating cash flows	991	2,434	(1,443)
Investing cash flows	(1,247)	(1,506)	259
Financing cash inflows	(1,839)	4,953	(6,792)
Cash balance	12,309	12,613	(304)

- ◆ Operating cash inflows declined on pcp due to decrease in EBITDA
- ◆ Investment outflows reflect ongoing investment in the operational capacity and improved efficiency within the Group, and advancing a loan to a PFS Partner to assist with the growth of that business
- ◆ Net finance outflows result predominantly from the payment of the final dividend in respect of FY 08
- ◆ Net financing cash flows in 2H 09 will include the acquisition of SFM and the effect of lower average interest rates

Financial Position

	31 Dec 2008 \$'000	30 June 2008 \$'000
Cash and cash equivalents	12,309	14,404
Other current assets	3,131	3,651
Non-current assets	19,761	19,280
Total assets	35,201	37,335
Interest-bearing loans and borrowings	80	119
Other liabilities	4,498	6,448
Total liabilities	4,578	6,567
Net assets	30,623	30,768
Issued capital	29,499	29,499
Foreign currency translation reserve	(337)	(700)
Retained income	1,461	1,969
Total equity	30,623	30,768

Post balance date,
\$5.2m of cash utilised
for acquisition
purposes

Insignificant level of
debt – borrowing
capacity remains in
place

Balance sheet provides
strong capacity for
acquisitions

The background of the slide is a grayscale image of financial documents. It features several stacks of coins, a line graph with a jagged upward trend, and fragments of text from a newspaper or magazine, including words like 'stocks', 'Dow', 'rise', 'decline', 'only', 'news', 'North', and 'right by'.

Business Overview

Investment Strategy and Client Focus

Investment Strategy

Focus on high quality defensive assets to dampen volatility

Plan B's pools engineered to cope with volatility as this cannot be avoided

Focus on exposure to rewarded risk, sustainability and reliability of returns beyond short term opportunism for growth assets

Plan B's pools continue to perform in line with expectations

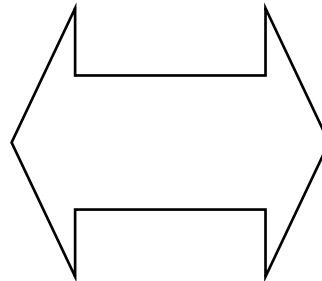
Client Focus

Focus on strengthening long term client relationships

Provision of end-to-end services for clients (Wealth Management to Wealth Transfer)

“Company” led rather than “Adviser” led client focus

Strong focus on client education



Investment strategy supported by client education – low client turnover and consistent funds inflows

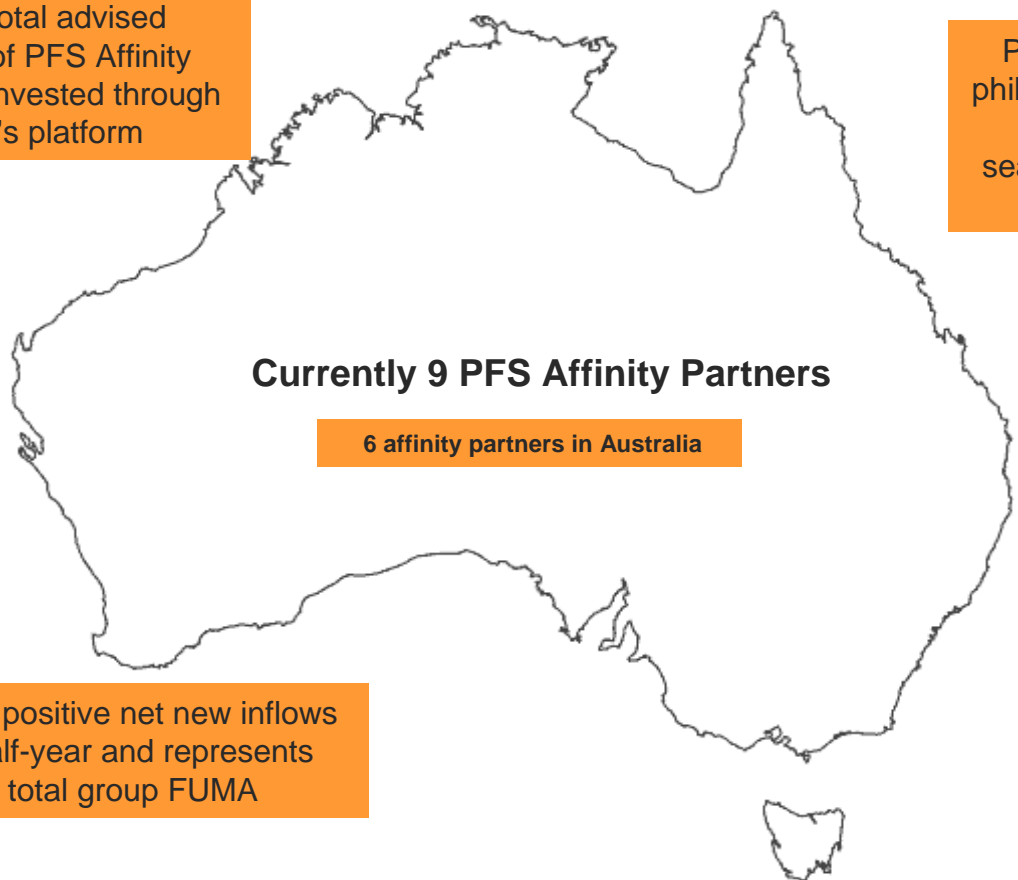
Current focus

- ◆ There continues to be low turnover of relationship managed clients despite challenging economic and investment conditions
- ◆ The approach of educating clients on investment markets is proving to be an invaluable asset within the current environment
- ◆ Plan B's disciplined investment philosophy and diversified investment strategies remain unchanged
- ◆ Organic growth initiatives (Executive Advisory Services, PFS affinity partner program, etc) continue, although there is a heightened need to work closely with clients to help them through current environment
- ◆ New opportunities arising in financial counselling for retrenched executives
- ◆ General and specific client communication is a focus of the business

The PFS Affinity Partner Program

55% of total advised business of PFS Affinity Partners is invested through Plan B's platform

Prospecting for practices with a philosophical and cultural alignment is focussed on the eastern seaboard of Australia as well as in New Zealand



Currently 9 PFS Affinity Partners

6 affinity partners in Australia



3 affinity partners in New Zealand

PFS delivered positive net new inflows during the half-year and represents 13.6% of total group FUMA

Plan B has assisted an established Partner with funding to assist in growth of that Partner's business through a targeted acquisition with strong potential for fund conversion to Plan B platforms

The background of the slide features a grayscale image of three stacks of coins resting on a document. The document contains a line graph with several peaks and troughs, and some faint, illegible text. The overall theme is financial and investment-related.

Acquisition activity

Acquisition activity

- ◆ A large number of acquisition opportunities have been pursued over the last 18 months
- ◆ Management has applied a patient, focussed and disciplined approach in pursuing inorganic growth
- ◆ The identification of practices with a philosophical and cultural alignment and strong growth prospects has been paramount – Plan B is not looking to aggregate struggling practices
- ◆ Culminated in the acquisition of a controlling stake in Strategic Financial Management, a successful wealth management business based in Melbourne, during February 09
- ◆ Provides an initial profitable presence for the Group on the East Coast
- ◆ Continuing to evaluate other opportunities

Strategic Financial Management

- ◆ Initial stake of 62% acquired with options to acquire the balance over a period of 3 years at pre-determined reducing multiples of profit
- ◆ Initial cash payment of \$5.2m and 3.9m Plan B shares issued – voluntary 12 month escrow
- ◆ SFM has \$354m of funds under advice, an average client size of \$2.4m and 3 full time advisory staff
- ◆ The principals of the business committed to remain involved in the continued growth of the business.
- ◆ The acquired business will only make a small net profit contribution in the current year
- ◆ The business is anticipated to be earnings per share accretive on a full year basis
- ◆ SFM generates strong revenues through its fee for service model - approximately 0.7% of funds under advice
- ◆ Significant potential exists to convert funds under advice to the Group's platforms in an orderly manner over time and consequently to provide further revenue synergies

The background of the slide features a grayscale image of three stacks of coins resting on a document. The document contains a line graph with several peaks and troughs, and some faint, illegible text. The overall theme is financial and economic.

Summary & Outlook

Summary and Outlook

Challenging Environment

- ◆ The current equity market volatility and reduced investment returns is a significant challenge to the business
- ◆ 2H 09 results will clearly be impacted by the continued uncertain investment environment – average FUMA for Jan/Feb 09 was \$1.29 billion
- ◆ Management continue to address the cost base, balancing protection of profitability with the ability to execute growth, to service clients and to meet regulatory standards
- ◆ The strategic intent to significantly grow the business and expand through the Eastern Seaboard remains
- ◆ Heightened short-term focus on client retention and in assisting clients to “navigate the storm”
- ◆ Continuing to identify and develop new PFS Affinity Partner opportunities

Summary and Outlook

Strong underlying business fundamentals

- ◆ People still have a need to seek sound advice and investment solutions
- ◆ The SFM acquisition is an important growth milestone for the Group
- ◆ Further acquisition opportunities constantly being evaluated against our criteria
- ◆ Plan B's brand and reputation continues to grow with increasing exposure
- ◆ The business is well positioned to take advantage of any recovery in investment markets and the economic environment

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