

Interim Results – December 2008

Investor Presentation

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10 February 2009



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Basis of preparation



- Whole numbers have been rounded for presentation purposes. However, percentages have been calculated on numbers prior to rounding.
- Unless otherwise stated, the information in this presentation removes the interests of the Benefit Fund members from those of shareholders in IOOF Holdings Ltd. This unaudited, supplementary information on the operations and financial position of the consolidated IOOF Group does not comply with the consolidation requirements of IFRS.

Operational Overview



- All businesses performing well in a very difficult environment
- Goal for all businesses is to use the current market to build differentiation through:
 - Growing the strength of our relationship with our customers
 - Development of new products and services which are appropriate to the times
 - Building the quality of our products and services
- This is achieved within an objective of lowering expenditure

Building our profile by maintaining our presence

Strategic Initiatives



- Continue to work through the IOOF/AWM merger process
 - Expected completion end April 2008
 - Continuing support from key shareholders
- Continue to pursue other initiatives including acquisitions

Continuing to pursue strategic options

Financial Overview



Adverse markets were the dominant feature of the half year

- \$23.7b in closing FUMA, down from \$29.4b in June
- Underlying* EBITA of \$12.1m
- Underlying* Net Profit after Tax of \$7.9m
- Reported Net Profit after Tax of \$9.1m
- The Directors have not declared an interim dividend pending finalisation of the AWM merger. Directors are considering a special dividend of 9 to 14 cents per share in July. The final dividend will be considered consistent with the approach adopted in prior years

Shareholder returns despite adverse market drivers

EBITA equates to profits before interest, tax, amortisation and asset sales/revaluations

* Underlying results exclude the impact of investment value write downs, PIPL acquisition and share agreement liability revaluations – see Appendix E

Financial Overview



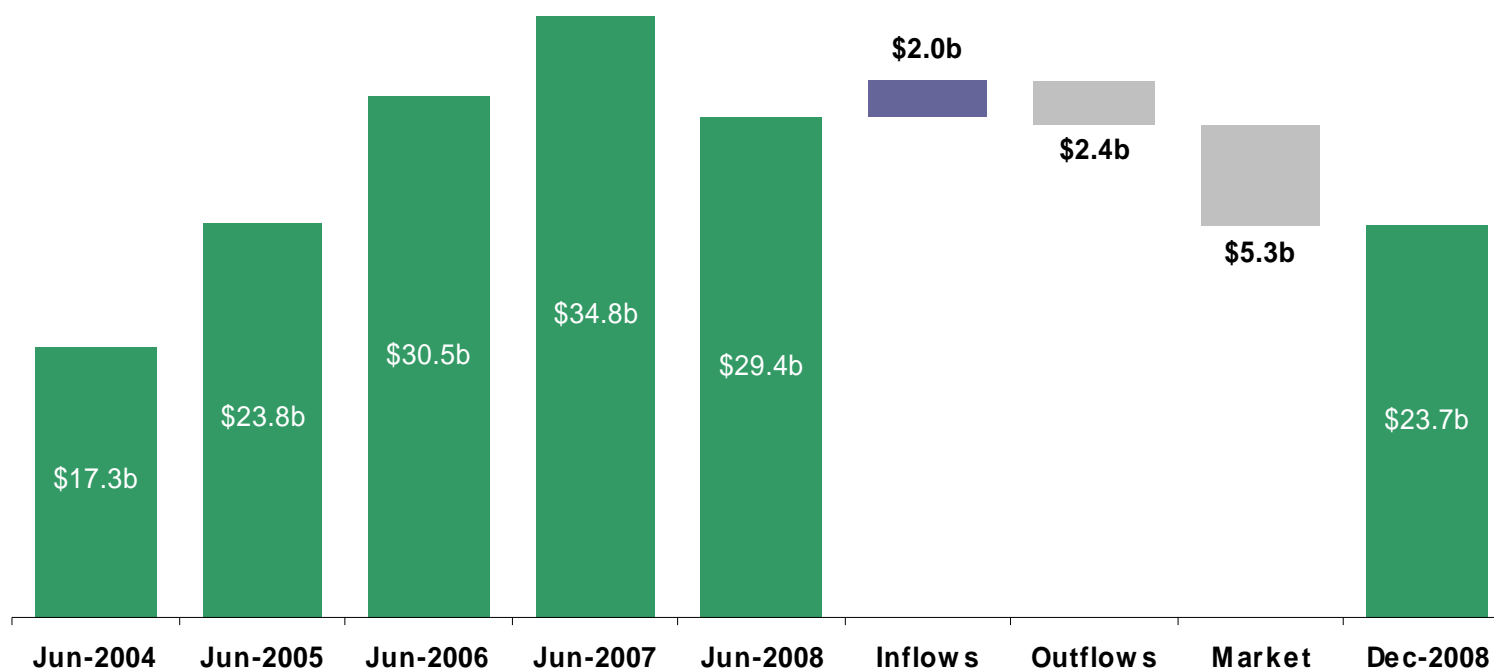
	H1 2009	H2 2008	Change on half (%)	H1 2008	Change on pcp (%)
Underlying* EBITA	\$12.1m	\$15.4m	-22%	\$22.7m	-47%
Underlying* NPAT	\$7.9m	\$10.2m	-22%	\$15.7m	-50%
Reported NPAT	\$9.1m	\$17.6m	-48%	\$5.7m	60%
Underlying* EPS (cents)	11.5	14.8	-22%	23.1	-50%
Reported EPS (cents)	13.4	25.8	-48%	8.4	60%
DPS (cents)	0.0	18.0	-100%	15.0	-100%

UNPAT decline partly offset by cost savings

EBITA equates to profits before interest, tax, amortisation and asset sales/revaluations

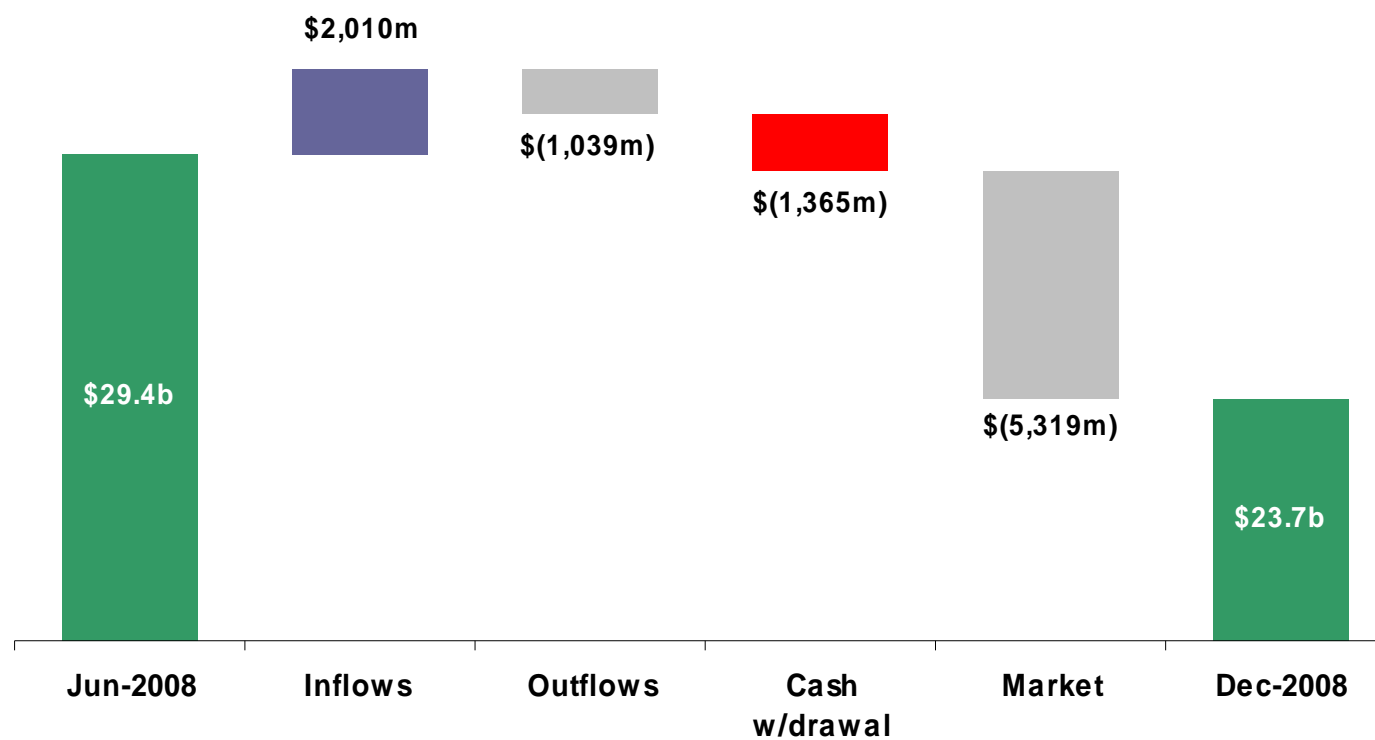
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Funds movement



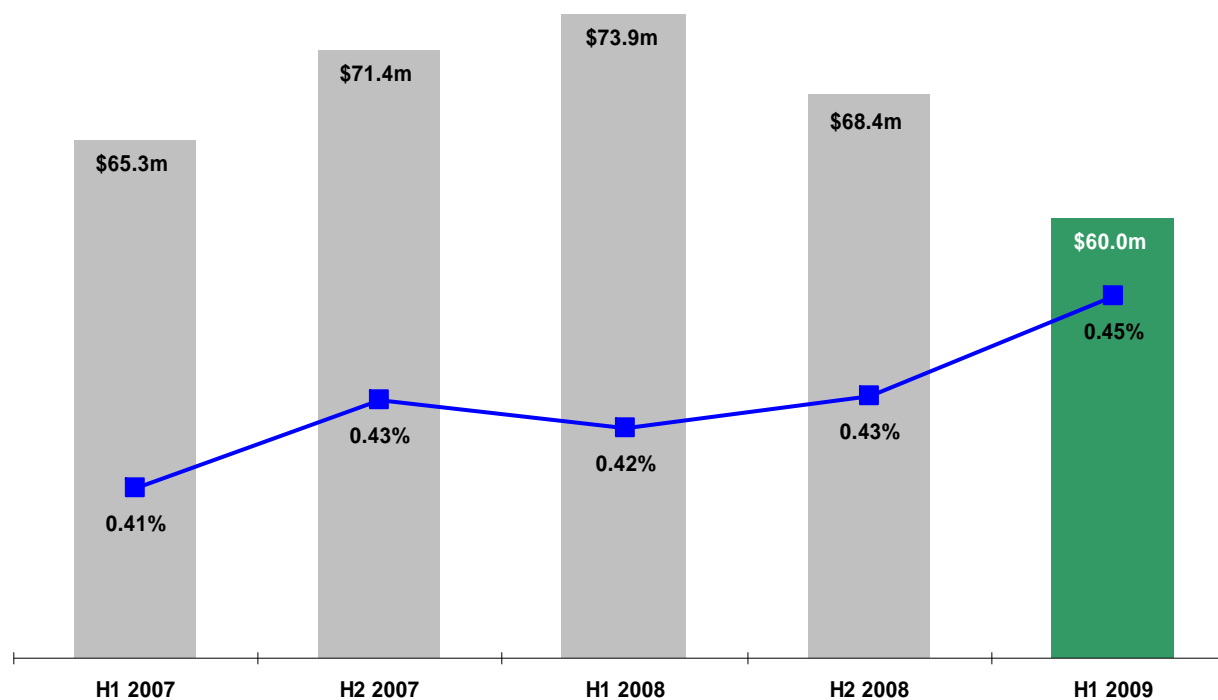
Market declines drive FUM reductions

Funds movement – cash impact



Flows affected by market impact on cash funds

Gross Margin – half on half



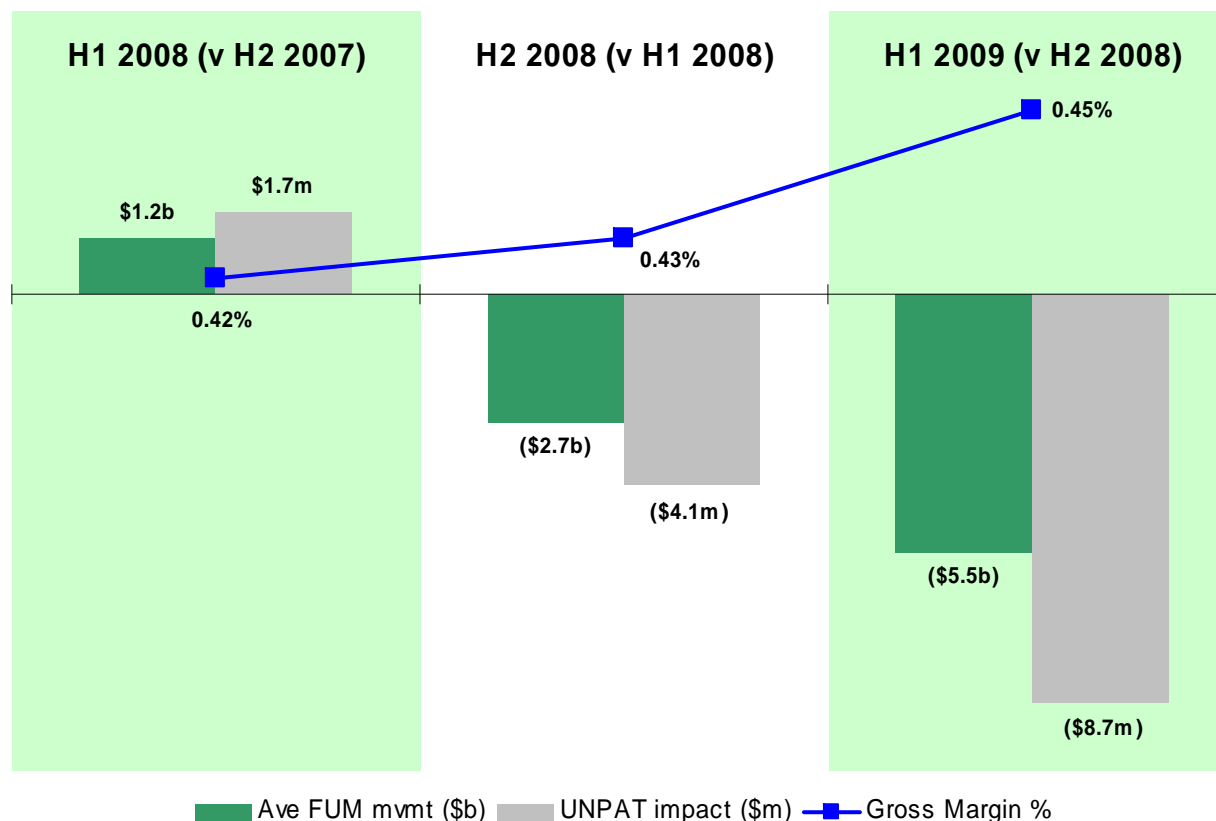
Increased margin reflects decline of cash funds

Gross margin includes equity accounted contribution from PVM. Acquisition of an additional 2.3% PVM equity in March 2007 has no material impact

Funds movement – profit impact

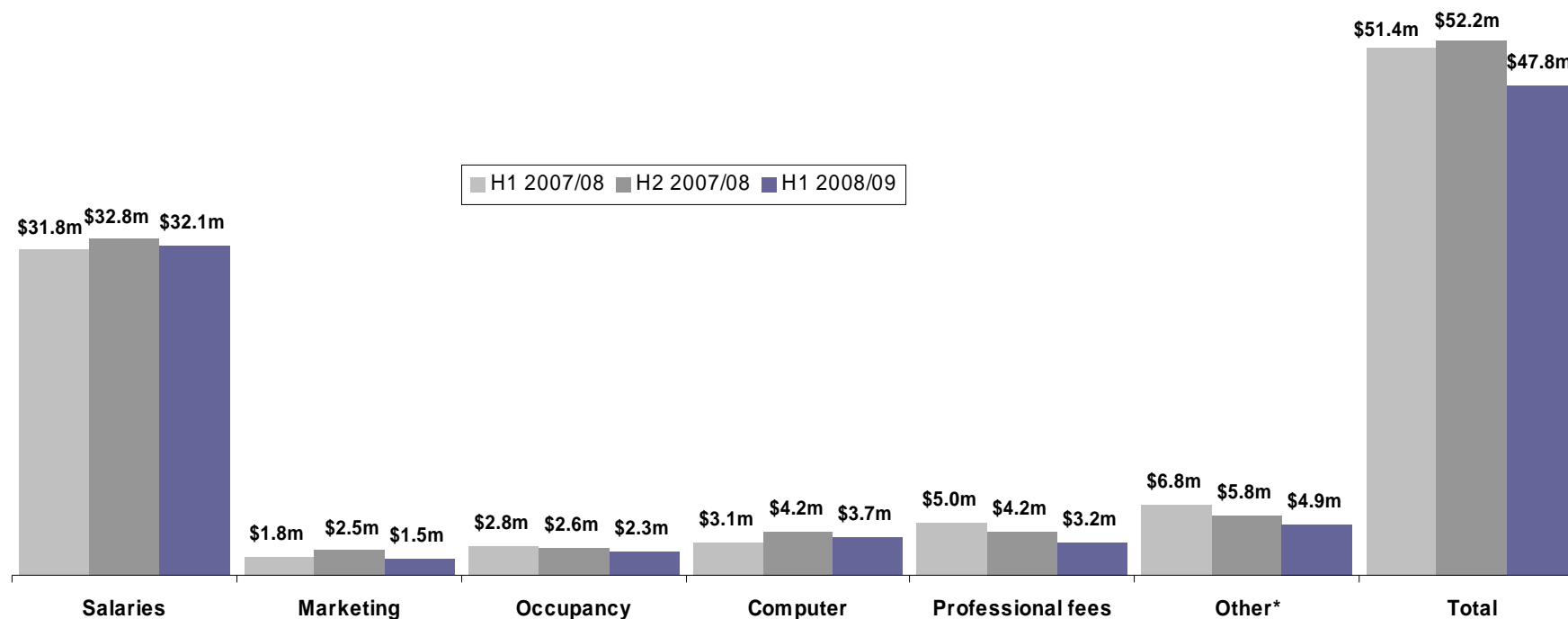


After tax profit impact attributable to funds movement (half vs prior half)



\$13m UNPAT impact from pcp due to FUM decline

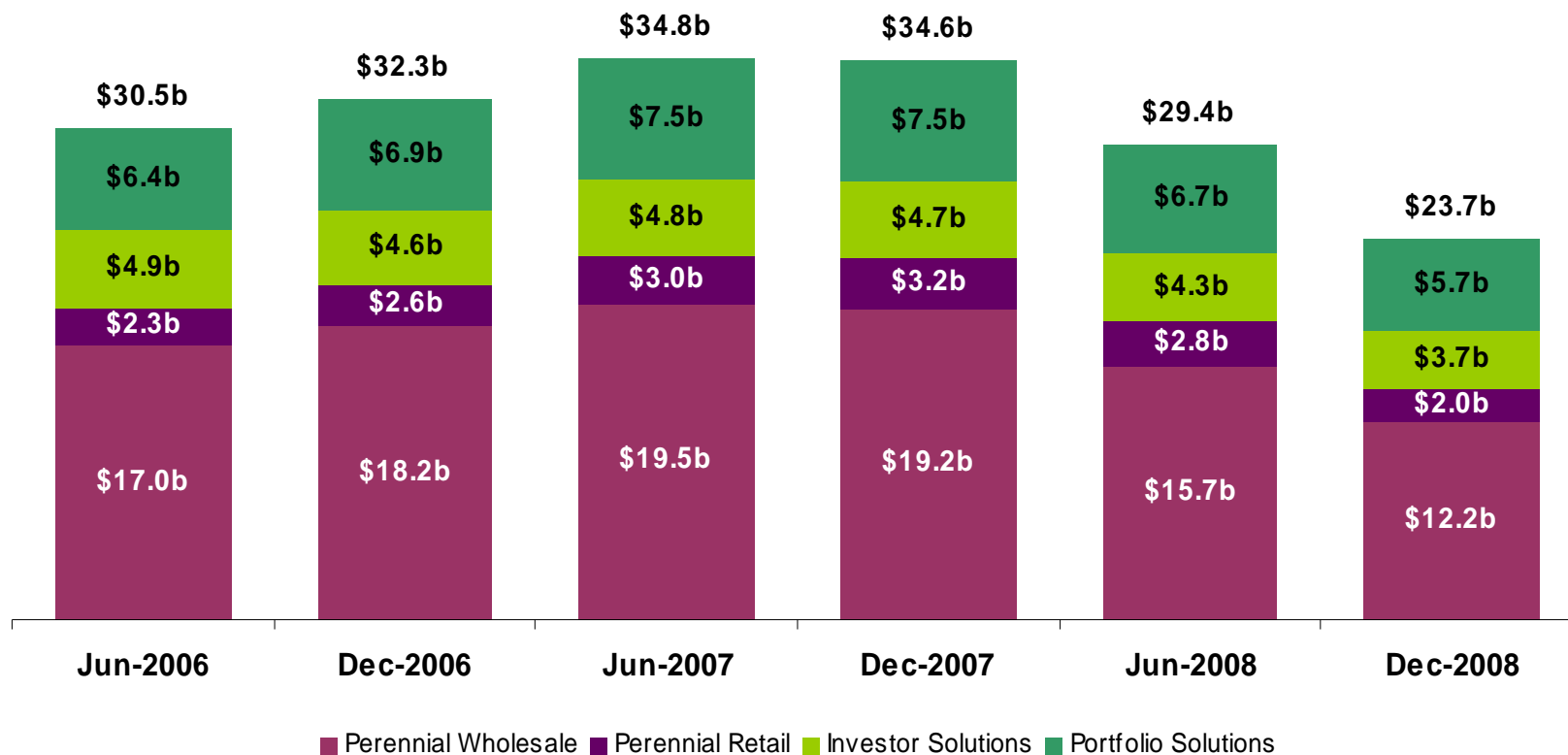
Operating Costs – by category



Costs reduced across all activities

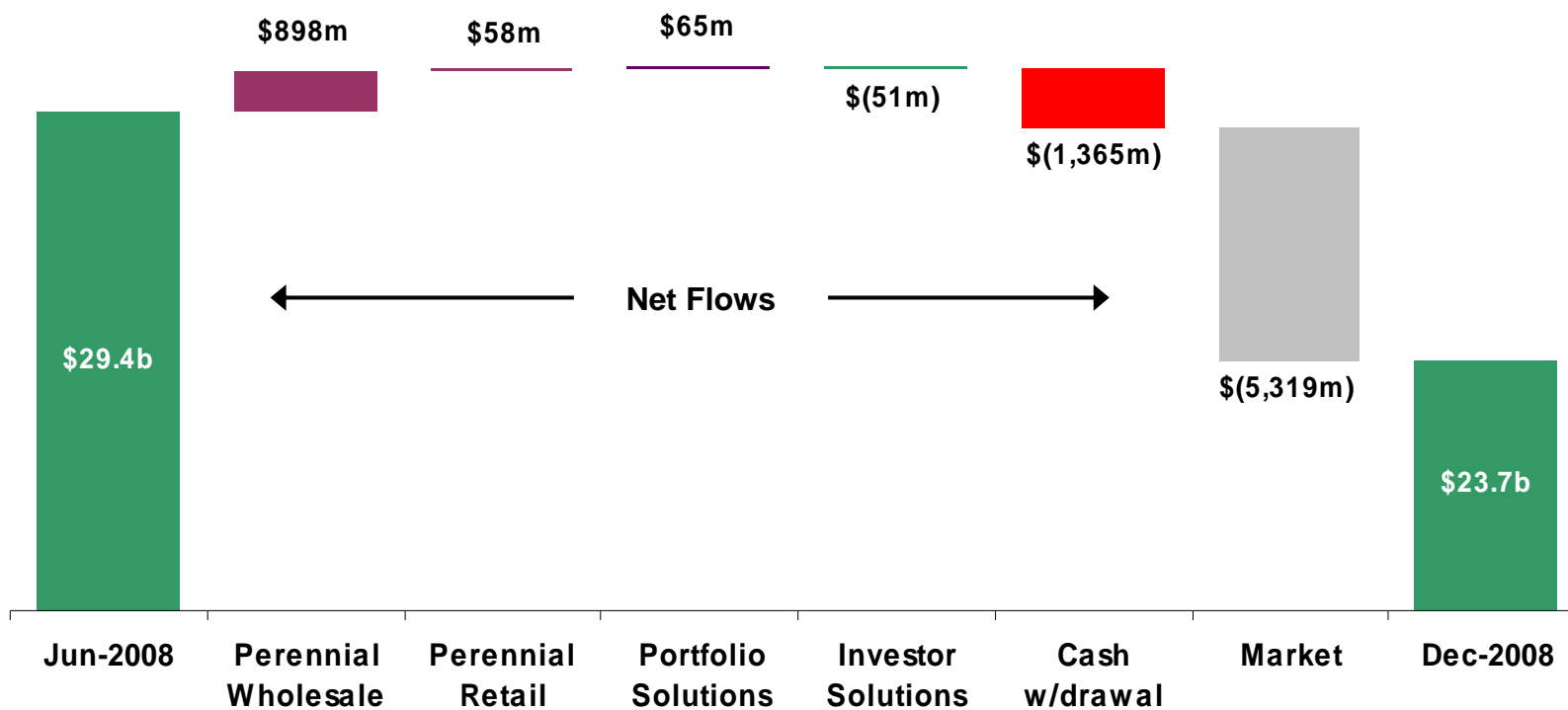
* Other includes a component of shareholder liability revaluation which is not considered a significant item: 1H 2008/09 \$0.7m; 2H 2007/08 \$1.0m; 1H 2007/08 \$1.3m

Funds by business



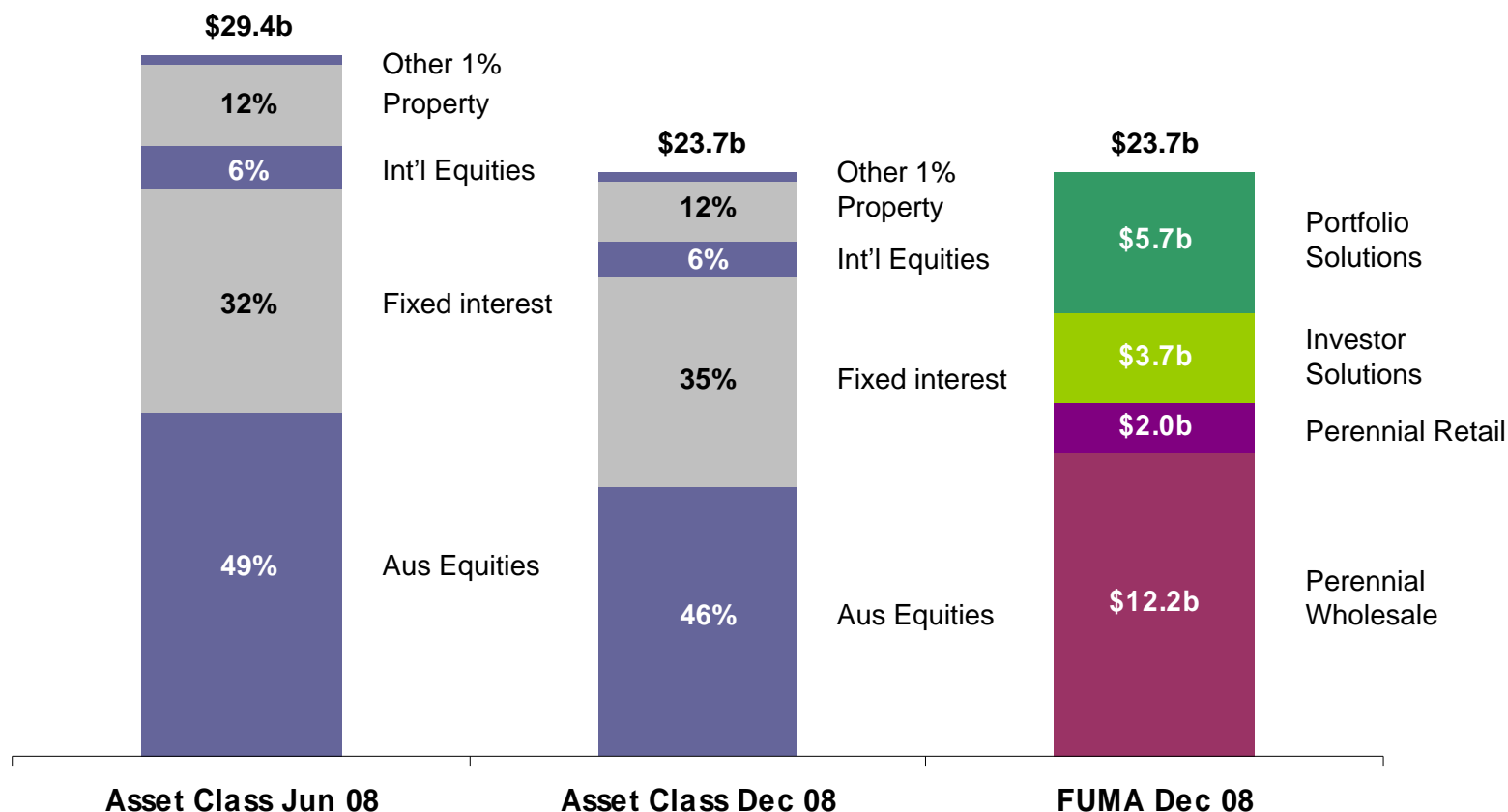
Decline in funds from market spread across all businesses

Funds movement by business



Strong flows performance in the face of investor uncertainty

Funds by Asset Class



Marginal change in mix from market movements

Business Contribution



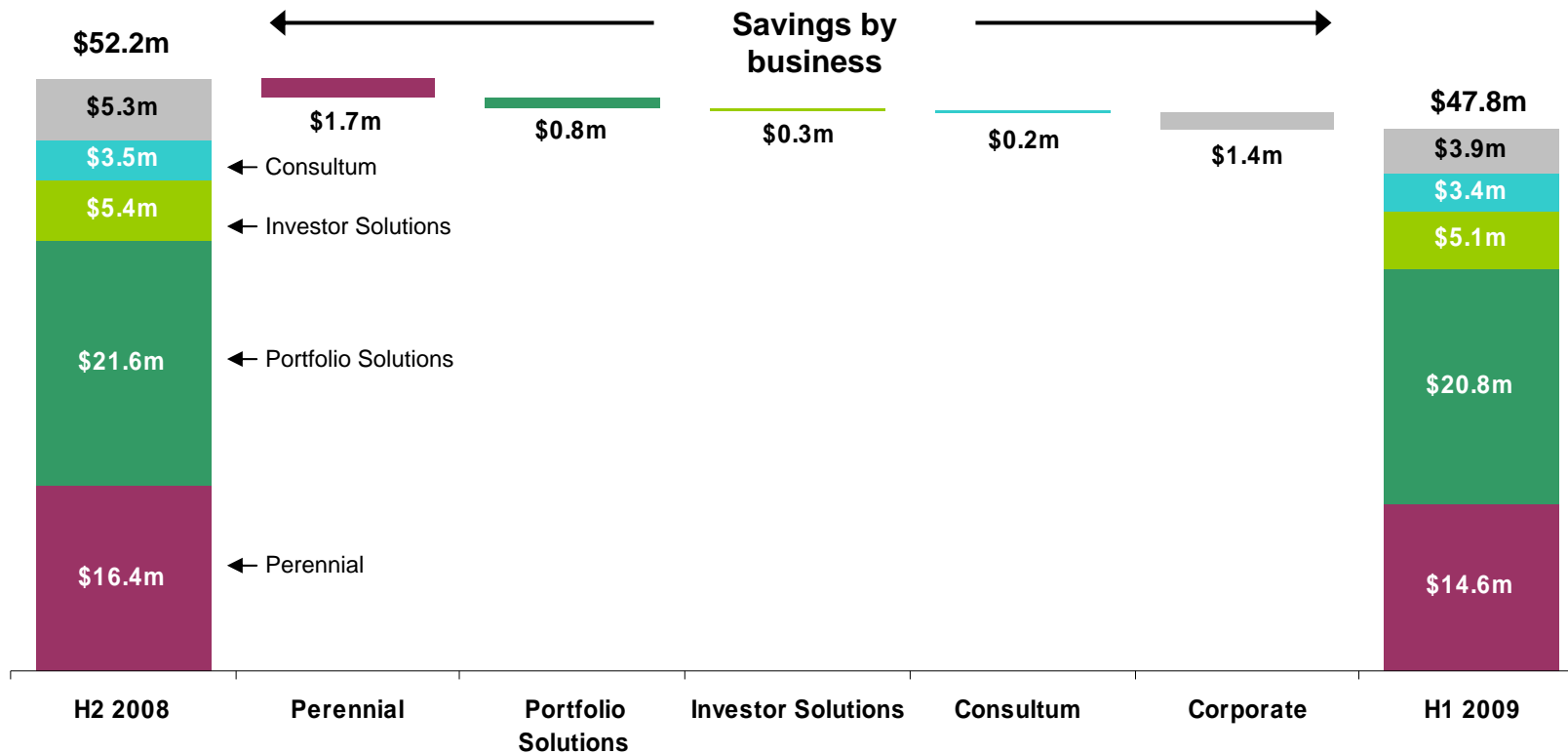
\$m	H1 2009	H2 2008	Relative contrib (%)
Perennial	5.4	8.0	45%
Portfolio Solutions	7.2	8.1	59%
Investor Solutions	5.3	6.8	44%
Consultum	(1.0)	(1.7)	-8%
Corporate	(4.8)	(5.8)	-40%
Underlying EBITA	12.1	15.4	100%

Earnings from across the value chain

EBITA equates to profits before interest, tax, amortisation and asset sales/revaluations

* Underlying results exclude the impact of investment value write downs, PIPL acquisition and share agreement liability revaluations – see Appendix E

Operating Costs by business



Costs reduced across all businesses

Perennial



	H1 2009	H2 2008	Change on H2 08 (%)
Enterprise Gross Margin (\$m)	28.2	34.2	-18%
Enterprise Costs (\$m)	15.5	16.6	-7%
Enterprise Cost to Income Ratio	55%	46%	-9%
Enterprise Underlying EBITA (\$m)	12.6	18.9	-33%
Funds Under Management (\$b)	14.3	18.5	-23%
EBITA contribution to IOOF	5.4	8.0	-33%

Highlights

- Strong focus on costs to mitigate market driven revenue contraction for period
- Market research shows increased satisfaction levels amongst Advisers/Planners with Perennial's value proposition
- Launch of two new Fixed Income products during the period to meet investor demand



Portfolio Solutions



	H1 2009	H2 2008	Relative contrib (%)
Revenue (\$m)	51.6	55.3	50%
Gross Margin (\$m)	27.9	29.6	50%
Cost to Income Ratio	74%	73%	n/a
Underlying EBITA (\$m)	7.2	8.1	43%
Funds Under Administration (\$b)	5.7	6.7	24%

Highlights

- Pursuit attracted net flows of \$200m during the half
- Launched a new Government guaranteed investment option on IOOF platforms via Perennial Protected Cash trust
- Pursuit and IPS awarded highest available 5 stars in 2009 Heron Quality Star Ratings

Investor Solutions



	H1 2009	H2 2008	Relative contrib (%)
Revenue (\$m)	16.7	18.4	16%
Gross Margin (\$m)	10.4	12.2	18%
Cost to Income Ratio	49%	44%	n/a
Underlying EBITA (\$m)	5.3	6.8	31%
Funds Under Management (\$b)	3.7	4.3	16%

Highlights

- Significant improvement in MultiMix net flows following MIM product restructure
- Launch of IOOF WealthBuilder
 - Tax effective product with 12 investment options
 - Leverage off Friendly Society capabilities
 - “The best investment for your kids” Scott Pape, Barefoot investor
- Development of sales and marketing infrastructure

IOOF MULTIMIX TRUSTS

IOOF wealthbuilder



	H1 2009	H2 2008	Relative contrib (%)
Revenue (\$m)	14.6	14.2	14%
Gross Margin (\$m)	1.0	1.0	2%
Cost to Income Ratio	131%	177%	n/a
Underlying EBITA (\$m)	(1.0)	(1.7)	-6%
Funds Under Advice* (\$b)	1.9	2.0	n/a

Highlights

- Appointed 11 new advisers
- Launched an adviser cadetship program to reduce pressure from the skills shortage in the financial planning industry.
- Introduced a customised version of financial planning software to enhance efficiencies within adviser practices

Summary 31 December 2008



- Sound result given market
- Strong cost control
- Continued to focus on development of long term values

Results reflect market impact on fund balances

Outlook 2008/09



- Market not expected to materially change throughout balance of 2008/09
- Profit for second six months likely to reflect 31 December fund balance
- Completion of merger with AWM key strategic task

Difficult environment expected to continue



Questions?

Appendix A - Underlying Cash Earnings & EBITA



\$m	H1 2009	H2 2008	H1 2008	Change on pcp (%)
Gross margin	57.3	64.6	70.3	-18%
Non operating income	3.6	3.7	3.6	0%
Share of net profits from PVM	2.7	3.7	3.6	-26%
Operating expenses	(47.8)	(52.2)	(51.4)	7%
Underlying* Cash earnings	15.8	19.9	26.1	-40%
Dep'n and Amort'n of DAC	(1.9)	(3.1)	(2.2)	16%
Share based payments	(1.8)	(1.3)	(1.7)	-2%
Provision for doubtful debts	-	(0.0)	0.6	100%
Underlying* EBITA	12.1	15.4	22.7	-47%

EBITA equates to profits before interest, tax, amortisation and asset sales/revaluations

* Underlying results exclude the impact of investment value write downs, PIPL acquisition and share agreement liability revaluations – see Appendix E

Appendix B - Statutory Accounts reconciliation



6 months ending December 2008	Statutory financials	Benefit funds	Adjust*	Corporate financials
Gross margin	126.6	(69.3)	-	57.3
Non operating income	48.9	(45.5)	0.2	3.6
Share of Net profits from PVM	2.7	-	-	2.7
Operating expenses	(47.2)	0.0	(0.7)	(47.8)
Depreciation of assets	(0.8)	-	-	(0.8)
Amortisation of DAC	(1.1)	-	-	(1.1)
Provision for doubtful debts	(0.1)	-	-	(0.1)
Employee share plans	(1.8)	-	-	(1.8)
Underlying EBITA	127.3	(114.8)	(0.5)	12.1
Amortisation of intangible assets	(0.8)	-	-	(0.8)
Profit / (Loss) on assets	(109.4)	108.3	-	(1.1)
Interest expense	(0.0)	-	-	(0.0)
Profit before tax and sig. items	17.0	(6.4)	(0.5)	10.1
Significant items	0.6	-	0.7	1.3
Profit before tax	17.6	(6.4)	0.2	11.4
Income tax	(8.0)	6.2	-	(1.8)
NPAT	9.6	(0.2)	0.2	9.6
OEI	(0.4)	-	-	(0.4)
NPAT attributable to shareholders	9.1	(0.2)	0.2	9.1

*Adjustments consist of deconsolidating entries and the component of shareholder liability revaluation which is not considered a significant item. The latter reflects underlying outside equity interest in the impacted Perennial subsidiaries

Appendix C – Balance Sheet



\$m	IFRS H1 2009	Corporate H1 2009	Corporate H2 2008
Tangible Assets	1,061.3	111.5	147.2
Intangible Assets	168.1	168.1	167.7
Total Assets	1,229.4	279.6	314.9
Member liabilities	(945.9)	-	-
Total Liabilities	(996.2)	(43.2)	(78.7)
Equity	233.2	236.4	236.2

Appendix D – Cash Flow



\$m	AIFRS H1 2009	Corporate H1 2009	Corporate H2 2008
Opening cash	583.4	53.7	67.7
Net operating in/(out) flows	(29.3)	3.2	10.4
Net financing in/(out) flows	(11.8)	(11.8)	(11.7)
Net investing in/(out) flows	1.3	(0.4)	(12.7)
Closing cash	543.6	44.7	53.7

Appendix E - Significant items excluded from calculation of underlying results



Significant items (\$m)	H1 2009	H2 2008	Change (%)	H1 2008	Change (%)
PIPL Acqn costs	-	5.0	-100%	(2.4)	-100%
PIPL share agreements liability reval	5.4	2.1	large	(5.3)	large
Investment sale/revaluation losses	(4.2)	0.3	large	(2.3)	83%
Significant items before tax	1.2	7.5	-84%	(10.0)	large
Income tax impact	-	-	0%	-	0%
Significant items after tax	1.2	7.5	-84%	(10.0)	large

- PIPL acquisition costs – recognises the movement in present value of the probable future settlement liability upon finalisation of the acquisition of PIPL minorities in 2009
- PIPL share agreements liability - relates to IOOF's commitment to provide liquidity, under certain circumstances, in the vested shares held by parties previously classified as minority interests in two Perennial subsidiaries
- Investment sale/revaluation losses – write downs or losses on strategic equity holdings (nil realised H1 2009)