

Revised Investor Presentation

Interim Results 2005

22nd February 2005

IOOF

Agenda

- **Overview**
- **Business Performance**
- **Financial Performance**
- **Outlook**
- **Question and Answers**

Overview

- **Strong earnings growth in first half 2004/05**
 - 127% growth in NPAT over pcp
- **Improving operational efficiency**
 - 9% improvement to 71%
- **Strong continued growth in FUMA**
 - 29% for the 6 months to December 2004
- **\$0.10 per share dividend payable in April 2005**

Overview

A\$m	H1'05	pcp	%
Gross margin	\$47.5	\$41.2	15%
Cash earnings	\$15.7	\$8.5	85%
Reported NPAT	\$26.6	\$11.7	127%
DPS (\$)	\$0.10	n/a	n/a

Note:
Cash earnings is equivalent to Earnings before tax, net market value excess, depreciation & amortisation and non-recurring items.

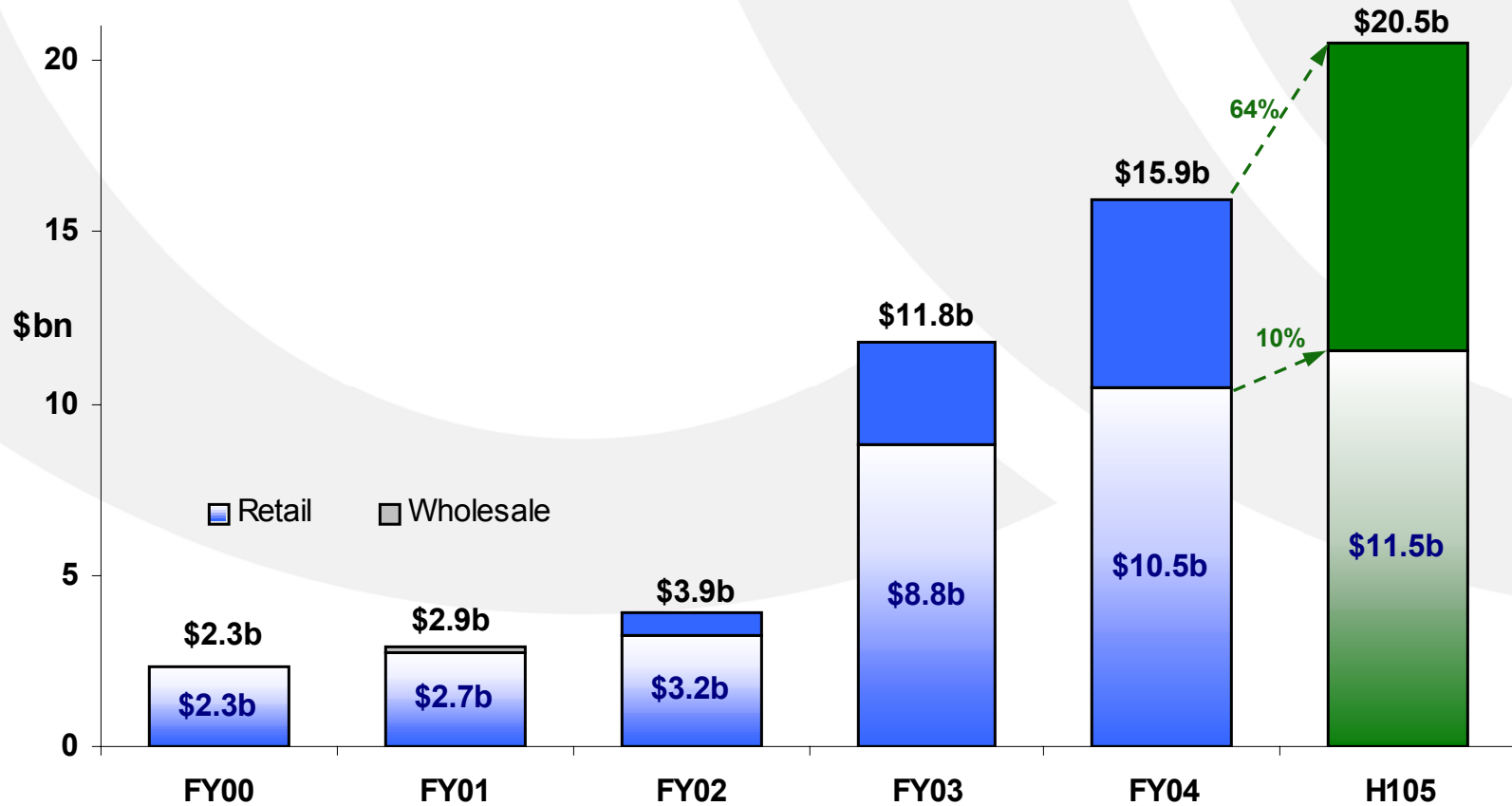
Business Performance



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Business Performance

29% growth in FUMA in the first six months



Business Performance

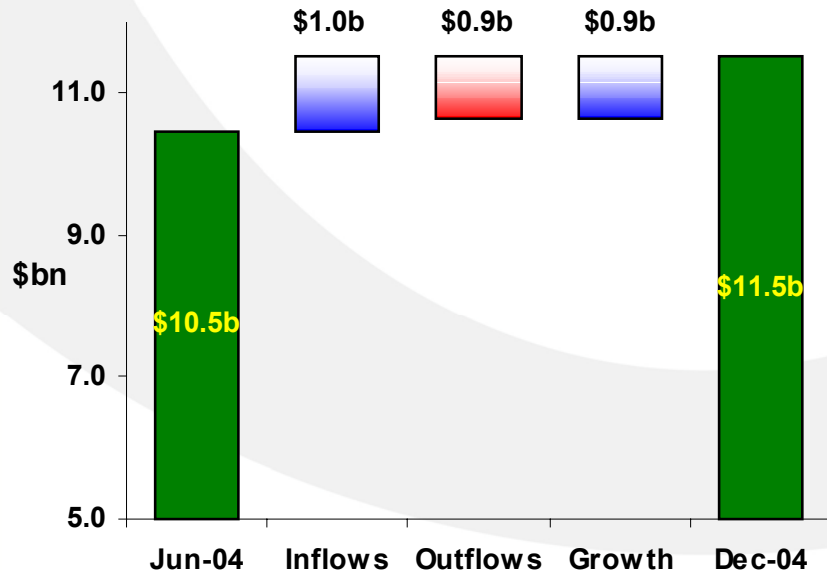
	Dec-04	Jun-04	(%)
FuAdmin	\$5.6bn	\$5.1bn	10.6%
FuM - Retail	\$5.9bn	\$5.4bn	9.5%
FuM - Wholesale	\$9.0bn	\$5.4bn	64.8%
Total	\$20.5bn	\$15.9bn	28.7%

Strong growth across the board for the six month period

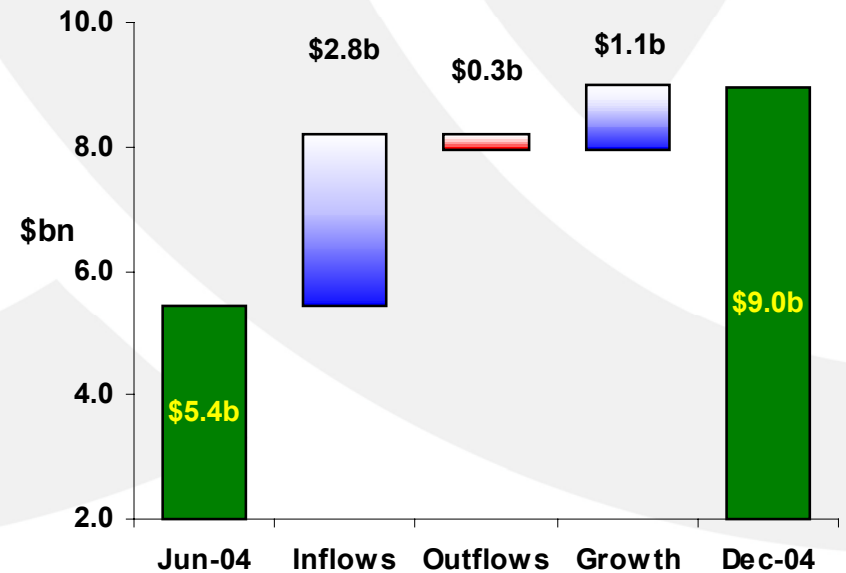
Business Performance

FUMA growth

Retail FUMA



Wholesale FUM



FUMA growth benefited from strong investment earnings, particularly within Perennial

Business Performance

Retail Funds Management

- **IOOF upgraded to '4 stars' by Morningstar**
- **Completed Phase 1 of IPS redevelopment**
- **Launch of Term Allocated Pension**

Perennial Investments

- **Mercer survey ranking (over 5 years)**
 - Australian shares (Value) – 6 / 57*
 - Fixed Interest – 4 / 26
 - International shares – 6/32
 - Australian shares (Growth) – 41 / 46 (41 / 70 for last 12 months)
 - Asian shares – out-performance over last 5 years of 7% p.a.#

Note: All data is for the period ending 31 December 2004

* Perennial value has not yet accumulated 5 years of history. Ranking is based on 3 years

5 years to 31 Jan 2005

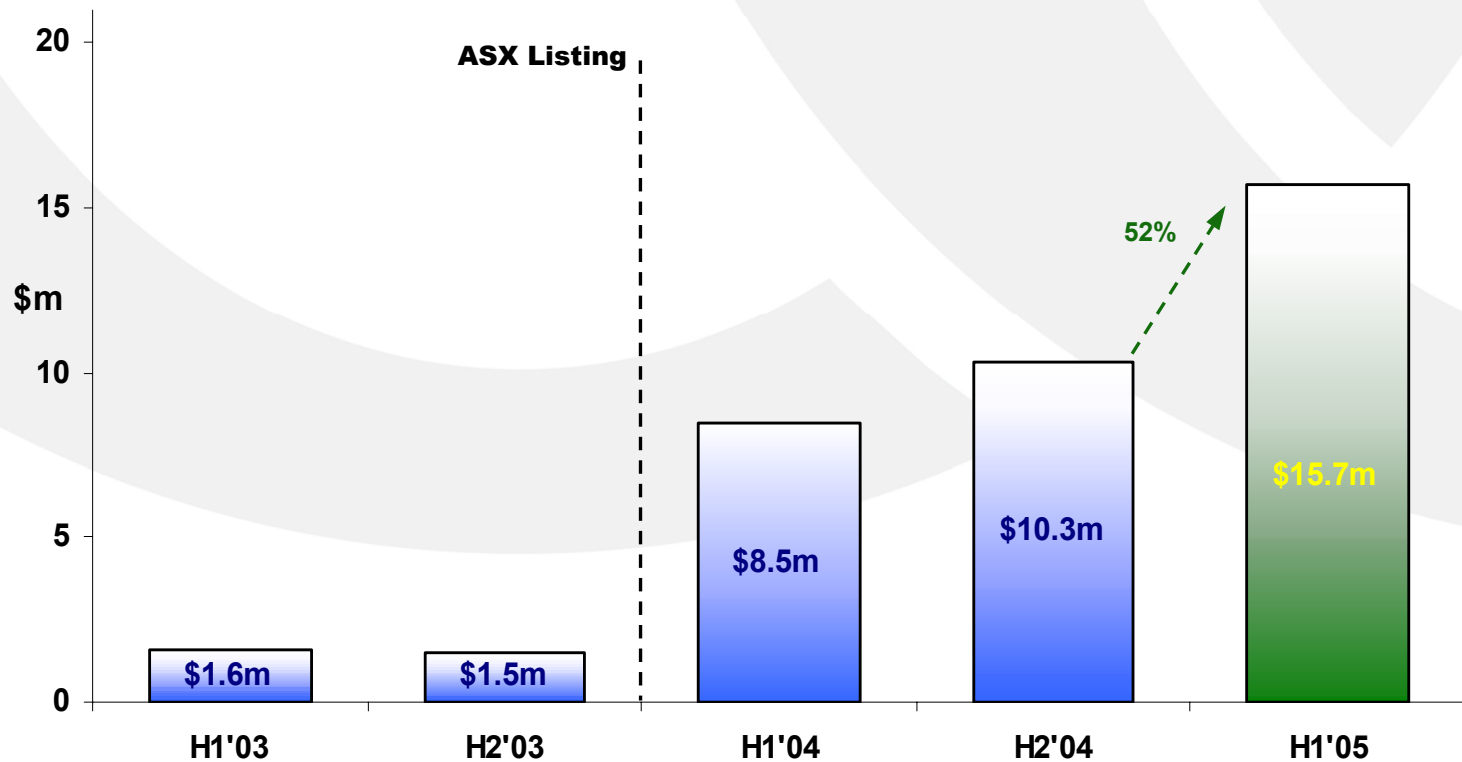
Financial Performance



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Financial Performance

Achieving consistent growth in cash earnings



Financial Performance

Six months ending December	H105	pcp	%	H204	%
Gross margin	47.5	41.2		46.7	
Non operating income	3.8	2.4		2.5	
Share of Net profits from PVM	2.1	0.8		1.3	
Operating Expenses	(37.7)	(35.9)		(40.2)	
Cash earnings	15.7	8.5 [▼]	85%	10.3	52%
Depreciation and amortisation of assets	(2.1)	(3.0)		(4.0)	
Amortisation of DAC	(2.7)	(2.4)		(2.5)	
Market revaluation	17.1	7.8		20.1	
Profit before tax and non-recurring	28.0	10.9 [▼]	157%	23.9	17%
Profit on sale of assets	1.5	3.5		(0.0)	
Non recurring costs	0.0	(2.2)		(1.9)	
Profit before tax	29.5	12.2 [▼]	141%	22.0	34%
Income tax	(2.9)	(0.5)		7.9	
NPAT	26.6	11.7 [▼]	127%	29.9	-11%

Financial Performance

Operating Expenses

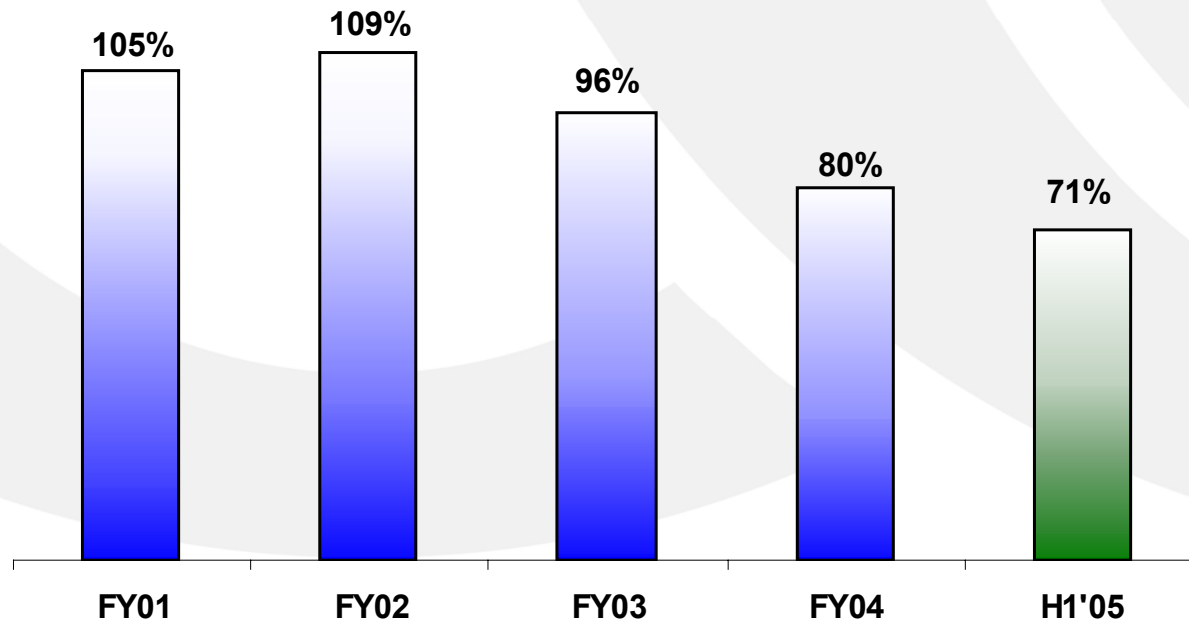
- Reduction in Salary and Occupancy costs
- Increase in professional fees - \$800K of legal expenses

Non recurring items

- **Profit on sale of assets**
 - \$1.5m from the sale of Bendigo Bank shares
 - Average sale price of \$10.16 per share

Financial Performance

Operating expenses to Gross Margin



In line with management commitment of 'sub 70%' ratio for FY05

Financial Performance

- **Interim Dividend**
 - 10 cents per share, fully franked payable on 14 April 2005
- **Cashflows**
 - Payment of \$12.6m in relation to AM acquisition
 - Reduced NTA per share by 20 cents
- **IFRS Update**
 - IFRS project has been fully scoped and implementation timetable set
 - On track to meet 1 July 2005 deadline
- **Balance sheet**
 - \$73m in cash (or equivalents) as at 31 Jan 2005

Outlook

- **Continued growth in retail FUMA**
- **Softening investment market returns**
 - Do not expect the current run rate to continue
- **Implementation of initiatives resulting from December Strategic Outlook statement**
 - Expect to be able to provide greater detail at the full year results presentation

Disclaimer

Whole numbers have been rounded for presentation purposes. However, percentages have been calculated on numbers prior to rounding.

This document is not intended to represent investment or professional advice. The information does not take into account your individual financial circumstances. You should assess whether the information is appropriate for you and consider talking to your financial adviser before making an investment decision.

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Excited by our future.

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