

ASX Announcement

29 June 2018

Centrepoint Alliance Limited Business Update

The Board of Directors of Centrepoint Alliance Limited (ASX:CAF) ('Centrepoint') advise that its wholly owned subsidiary, Professional Investment Services Pty Ltd (PIS), has reassessed its "Legacy" claim provision.

The Board considers it prudent to increase the provision for Legacy Claims (claims involving advice given prior to 1 July 2010) by \$2.0m. The increase is attributed to an increased estimate of existing litigated claims and an increase to the estimated number of claims for which a provision was created in November 2017.

This adjustment will be reflected in Centrepoint's FY18 Group results.

Angus Benbow who commenced as CEO of Centrepoint on 3 April 2018 has engaged with the Centrepoint's staff, advisers and external stakeholders in an assessment of the company's strategy and operations.

Mr Benbow said, "Centrepoint is in an excellent position to take advantage of the changes underway in the financial services industry. The timing is right for a fresh view of the market."

As a result, the strategy refresh will focus on Centrepoint enhancing its position as a market leader. "We are well placed to meet the growing use of technology, increasing regulation and the changes that will come from the Royal Commission. We embrace these changes and the fact that financial services businesses such as Centrepoint, operate subject to a social licence," said Mr Benbow.

The strategy refresh will extend across Centrepoint's core business as well as its portfolio of investments. It will provide a clear and transparent direction for the business. Mr Benbow commented, "Centrepoint has the privilege of working with a strong community of financial advisers. This, together with our capabilities in technology, compliance, education and business management, will be our bedrock as we strive to improve the trust that consumers place in the financial services industry, and Centrepoint, in particular."

Final results of the strategy refresh and its likely impact for the future direction of Centrepoint will be included in a presentation of the Group's FY18 financial results to be presented by Mr Benbow on 23 August 2018.

For further information please contact:

Angus Benbow
Chief Executive Officer
Centrepoint Alliance Limited
Ph: +612 8987 3000

Marty Carne
General Counsel and Company Secretary
Centrepoint Alliance Limited
Ph: +612 8987 3000