



Pinnacle
INVESTMENT MANAGEMENT

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14 November 2016

By Electronic Lodgement

The Manager
Company Announcements Office
ASX Ltd
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

Pinnacle Investment Management Group Limited – Presentation

Pinnacle Investment Management Group Limited is pleased to attach an updated copy of a presentation that will be given to investors at the “CEO Sessions” forum to be hosted by ASX and Finance News Network on 15 November 2016. The presentation has been updated to include more recent funds under management figures.

Please do not hesitate to contact me if you require any further information.

Yours faithfully

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Company Secretary

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Pinnacle Investment Management Group Limited (ASX: PNI)

ASX CEO Session

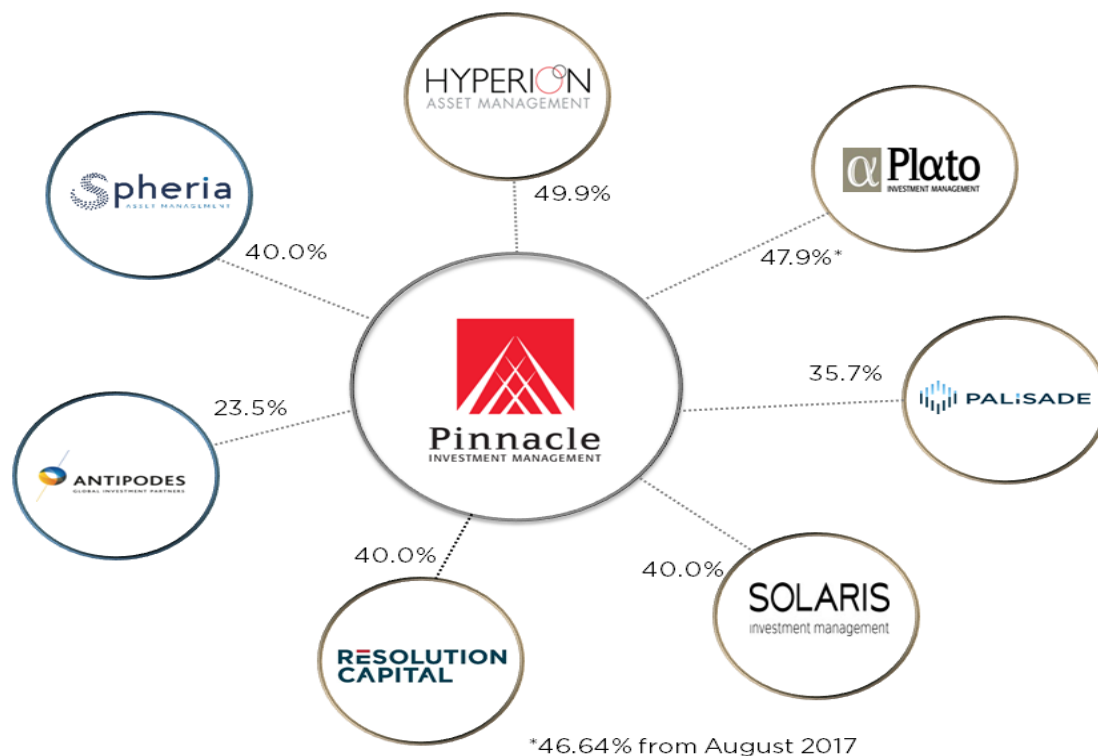
15 November 2016

- Introduction to PNI
- FY16 financial results
- Pinnacle and its affiliated investment managers
- Aggregate funds under management (“FUM”) and revenue update
- Future growth

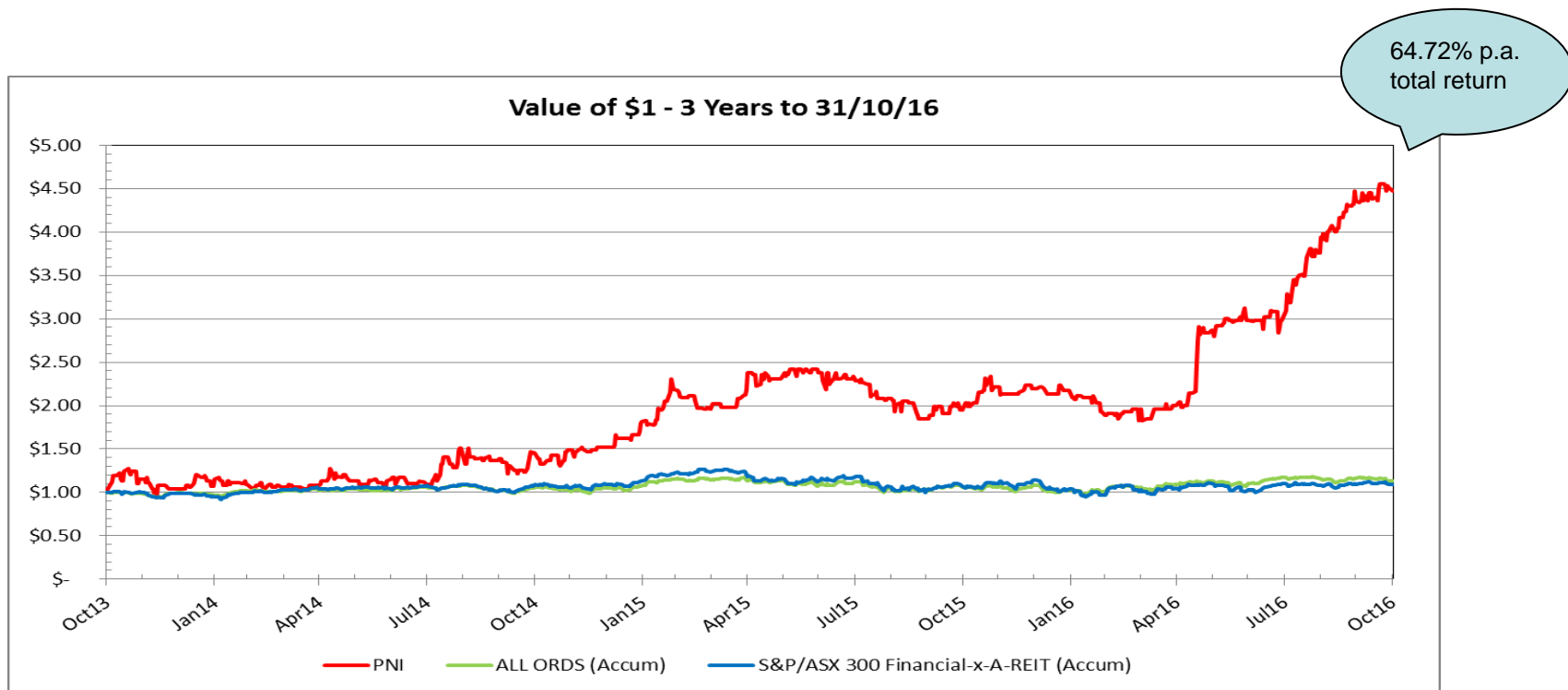
- Very experienced investment professionals
- Australia's premier 'House of Affiliated Investment Managers'
- Pinnacle owns equity stakes in seven investment management firms
- PNI, in its current form, came into existence in August 2016 (formerly Wilson Investment Group – ASX : WIG)
- Pinnacle has been growing its FUM and revenue rapidly throughout the last 10 years
- Outlook for superannuation and managed funds remains strong:
 - 4th largest domestic system
 - \$2 trillion under management
 - Estimated \$8 trillion by 2035*

*Source : Financial Services Council/UBS Asset Management "State of the Industry" report, February 2016

- Earnings per share from continuing operations of 5.2 cents, up 44% from 3.6 cents
- Pinnacle FUM of \$19.8 billion at 30 June 2016, up 23% from \$16.1 billion
- Special fully franked dividend of 5.0 cents per share paid on 9 September 2016
- Final fully franked dividend of 1.9 cents per share paid on 3 October 2016



Total shareholder returns – 3 years, value of \$1

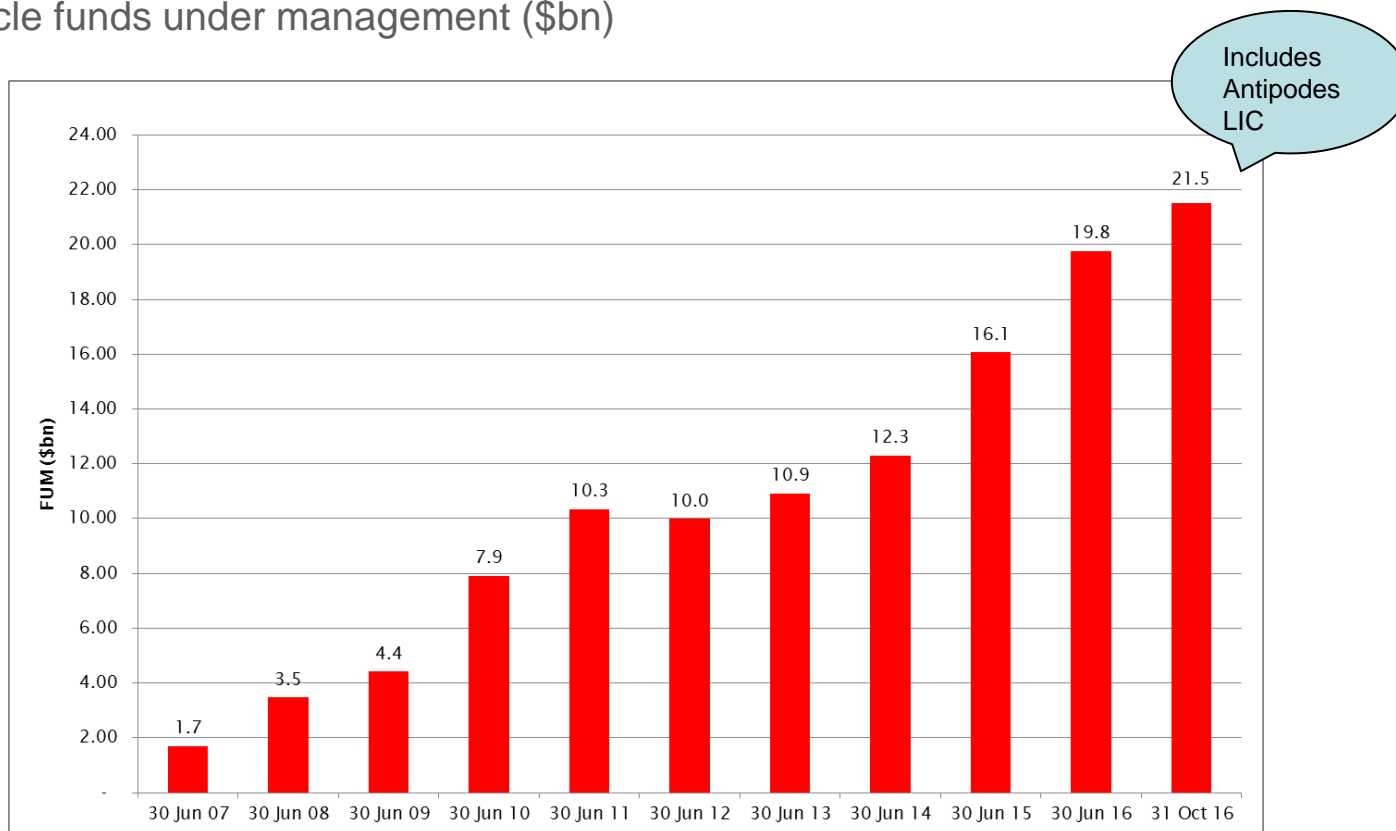


- FUM net inflows strong – \$1.7 billion to 31 Oct 2016
- Retail net inflows of \$819 million to 31 Oct 2016 (including \$313 million for Antipodes LIC received in Oct 2016)
- Shareholder discussions – benefits of multi affiliate model well understood
- By and large an ‘article of faith’ reputation – all ‘best of breed’
- Reasonably diversified/robust

- Zenith – Professional Planner Fund Manager of the Year Awards, September 2016:
 - Pinnacle – Fund Distributor of the Year
 - Resolution Capital – Global REIT Fund Manager of the Year
 - Antipodes – International Equities – Alternative Strategies Fund Manager of the Year
- Morningstar Australian Funds Manager of the Year Awards, May 2016:
 - Hyperion – Australian Fund Manager of the Year
 - Hyperion - Domestic Equities – Large Caps Fund Manager of the Year
 - Hyperion - Domestic Equities – Small Caps Fund Manager of the Year.

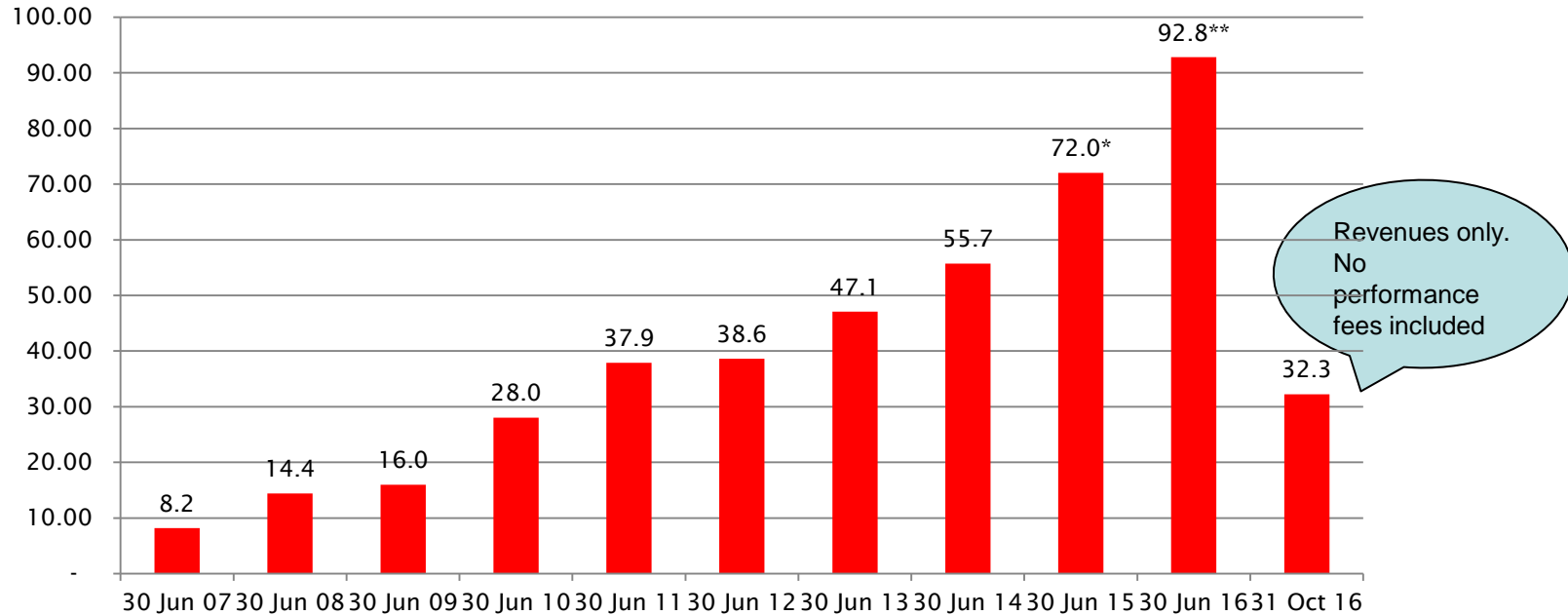
Consistent growth in FUM

Pinnacle funds under management (\$bn)



Consistent growth in affiliated IM revenues

Total Affiliated IM revenues (\$m at 100%) – 12 month periods and FY17 YTD



*2015 - includes performance fees of \$11.1m - 15.5%

**2016 - includes performance fees of \$17.8m - 19.2%

- **100%** of Pinnacle Affiliated Investment Manager strategies and products **have out performed** their benchmarks over the 5 years to 30 Sep 2016

	5Y	10Y	Inception	Inception date
Pinnacle Investment Management - Gross Performance				
Hyperion Asset Management				
Hyperion Australian Growth Companies Fund	19.02%	10.03%	13.18%	1/10/2002
Hyperion Small Growth Companies Fund	24.14%	15.72%	18.86%	1/10/2002
Hyperion Australian Equities Composite	18.76%	9.96%	14.17%	1/11/1996
Hyperion Australian Equities ASX300 Composite	18.62%	10.45%	14.34%	1/05/2003
Plato Asset Management				
Plato Australian Shares Core Fund	12.50%		5.54%	30/10/2006
Plato Australian Shares Equity Income Fund - Class A	15.51%		14.41%	9/09/2011
Solaris Investment Management				
Solaris Core Australian Equity Fund	13.60%		5.46%	9/01/2008
Solaris High Alpha Australian Equity Fund	13.84%		6.31%	4/02/2008
Resolution Capital				
Resolution Capital Core Plus Property Securities Fund	20.31%		9.25%	30/09/2008
Resolution Capital Global Property Securities Fund	18.59%		12.87%	30/09/2008
Palisade Investment Partners				
Palisade Diversified Infrastructure Fund	14.08%		10.51%	1/08/2008

Horizon 1

- Sustain organic growth of the existing business of each affiliated IM

Any costs internally funded by the affiliated IM

Horizon 2

- New affiliated boutiques and 'non-capital' parent growth initiatives (direct-to-retail, offshore)
- Reasonable limits to be set given 'drag' on Pinnacle financials

Horizon 3

- Must not place the company at risk
- Only consider if low risk and high return on invested capital
- Exercise great care and careful due diligence
- Must be synergistic with existing core
- Few will meet this test



- Now a 'pure play' investment management company
- In a great industry, set to go from \$2 trillion to \$8 trillion
- Seven 'best of breed' investment management firms
- Awarded and well recognised in our industry
- Strong momentum
- Further growth ahead, from multiple sources

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