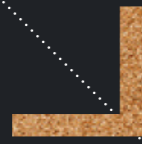


**Austock Group
Limited**
(ASX : ACK)



Melbourne
22 November 2017

FY17

Financial Performance & Business Update

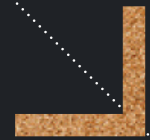
Rob Coombe
Executive Chairman



FY17 Results Summary




	FY17	FY16	Change	Change %
Revenue	8.407m	7.646m	0.761m	▲ 10%
Expenses	7.575m	7.100m	0.475m	▲ 7%
Underlying profit before tax	832k	546k	286k	▲ 52%
Underlying EPS	0.8c	0.5c	0.3c	▲ 60%
DPS	2.0c	2.0c	0	0
NTA	10.1c	7.6c	2.5c	▲ 33%
FUM	720m	638m	82m	▲ 13%
FUMA	2,202m	1,795m	406m	▲ 23%
Cash & Cash Equivalent	9.7m	7.0m	2.7m	▲ 38%




FY17 Highlights & Key Performance Measures





 **13%**
Life Business FUM
\$720m

 **28%**
Services FUA
\$1,482m

 **23%**
Group FUMA
\$2,202m


 **1%**
Life Product Sales
\$133m



Group Profit
\$0.2m
STATUTORY BASIS
\$832k
UNDERLYING OPERATIONS

 **11%**
Withdrawals / Maturities
Down \$9.6m


Product Ratings
Highly Recommended
MAINTAINED

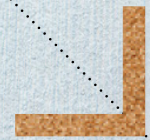
 **13%**
Approved Product List
276
DEALER GROUPS

 **19%**
Active Financial Advisers
1,210

 **21%**
New Bond Numbers
2,266

 **22%**
Savings Plan
\$11.5m


 **8%**
Life Book Duration
Avg. 13 Years





FY18 Q1 Highlights & Key Performance Measures




 3%
Life Business FUM
\$739m


 12%
Group FUMA
\$2,455m

 2%
Active Financial Advisers
1,234

 0%
Approved Product List
276
DEALER GROUPS / NO CHANGE

 16%
Services FUA
\$1,716m

 10%
EQUIVALENT PERIOD
Life Product Sales
\$37m - 3 Months

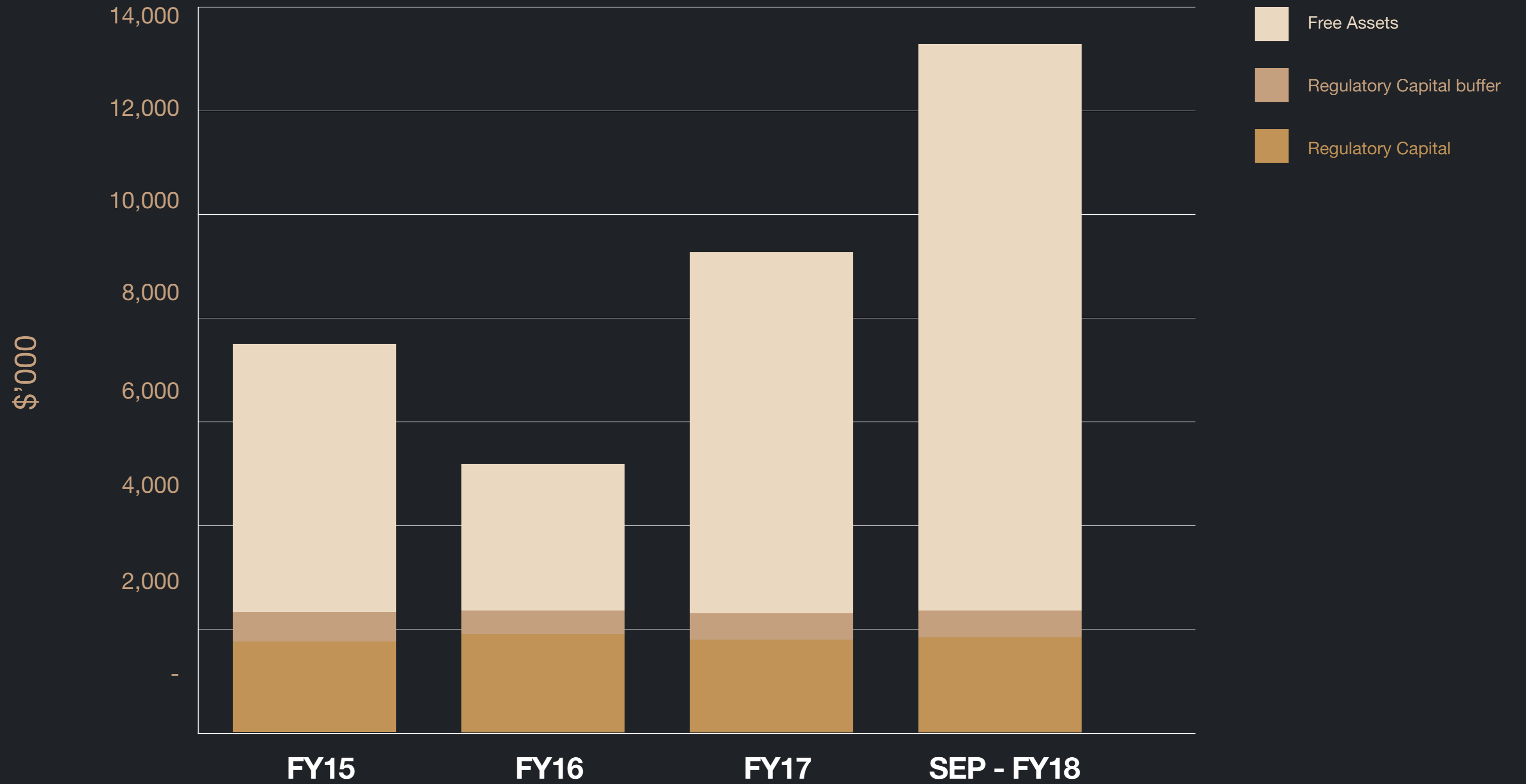
 55%
EQUIVALENT PERIOD
New Bond Numbers
482 - 3 Months

 56%
Savings Plans
MONTHLY AVERAGE ANNUALISED
\$18m





AUSTOCK - Well Capitalised





Changes to Super

NON SUPER MARKET WILL EXPLODE

> Many 'High Net Worth' Clients simply can't get money into Super.

DEXX&R have estimated this market to be in excess of \$18bn p.a.

Investment Bonds will benefit:

- > Investors looking for the next best tax structure outside of Super
- > Superior for Estate & Intergenerational Planning

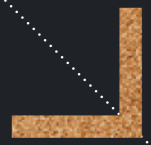


WHY BONDS?

Most Tax-Effective Vehicle Outside Superannuation

Our Investment Bonds Are Suited to:

- > Alternative & Complementary to Super
- > Discretionary Trusts – managing income distributions
- > Long term savings - Education/University/First Home Deposit
- > Estate Planning strategies
- > Aged Care, Pension & CSHC strategies

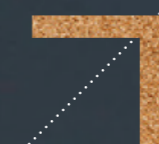


OUR COMPETITIVE EDGE

Project Clearwater – Austock Group

- > Austock has been competitive in a stagnant market
- > Significant changes & restrictions to Super – increased attractiveness of sector
- > Competition is set to increase

‘As a result of this, Austock has chosen to lift the profile of its business and refresh its brand, team, product, pricing, investment and service offering to put “Clearwater” between itself and existing competitors’.





Project Clearwater – Brand Architecture

1 >

Audience

- > HNWs that are thinking about the future and looking for a “different” provider to help them navigate their course
- > Looking for trust worthiness and stability
- > Life isn’t simple for them and they need smart solutions
- > Seeking solutions designed to meet all the challenges and opportunities the future holds

2 >

Ambition

- > To be known as Australia’s most forward thinking financial solutions company

Purpose

- > Help people embrace the future with excitement - not fear

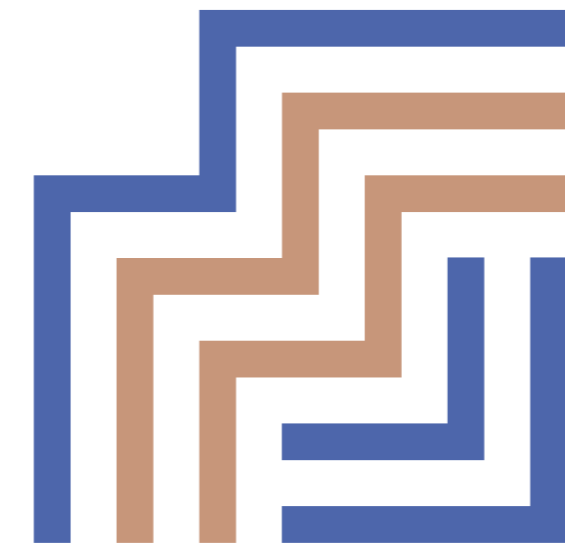
Idea

- > Prepare people to navigate the financial complexities of tomorrow

3 >

Values

- > Optimism
- > Clarity
- > Forward thinking
- > Pro-active



generation life

+ Embracing the opportunity of today

+ Making the complex simple and effortless

+ Ensuring each generation fulfils their dreams

+ Creating certainty in an uncertain environment



Project Clearwater – Product Enhancements

New Fee Structure

- > Tiered fee discounts on client's total investments & special offer to 30 June
- > Remove Investment switching costs

New Investing Features

- > Dollar cost averaging
- > Auto rebalancing
- > Automatically increase regular savings plan amount

New Products

- > FuneralBond

New Investment Menu Categories

- > Multi Strategy Income – Kapstream
- > Long / Short Australian Equity – Ellerston
- > Dynamic Allocation – AMP
- > Diversified Conservative - Perpetual

New Sector Specific Index Manager

- > Australian Equity
- > Australian Bond
- > Listed Property
- > International Equity (Hedged & Unhedged)

New Product Features

- > EstatePlanner - Create & design a future annuity for a beneficiary





Project Clearwater - IT Enhancements

Technology Improvements to Enhance Customer Experience

- > New Customer & Adviser Web Portal
- > Responsive (Mobile-First) Design
- > Online Application Forms (with KYC & AML Functionality)
- > Investor Portal with Switching Capabilities
- > Capturing better Customer Data
- > More Comparison Calculators
- > Education Calculator



Project Clearwater - People



CHRIS FREEMAN

CHAIR GENERATION LIFE

- > 40 years experience in Financial Services
- > Deep experience and contacts in IFA market
- > Chairman, Templeton Growth Fund Limited
- > Chairman of Advisory Board to Barrons Magazine
- > Member of the Institute of Chartered Accountants and Australian Institute of Company Directors



GRANT HACKETT OAM

GENERAL MANAGER OF DISTRIBUTION, AUSTOCK GROUP

- > Previously Head of Priority Markets Westpac - experience across marketing & distribution
- > Previously Director Regal Funds Management
- > Diploma in Financial Planning
- > Executive MBA (First Class Honours)



CATHERINE VAN DER VEEN

JOINT CEO GENERATION LIFE

- > Previously Joint Head Wealth Strategy CBA
- > Extensive product, marketing, distribution background
- > Worked in Sydney, London, Singapore, Boston
- > Degree in Agricultural Economics from Sydney Uni and graduate of Harvard Business School (Leadership Program)



FELIPE ARAUJO

HEAD OF KEY ACCOUNTS, AUSTOCK GROUP

- > Previously Relationship Director and Head of Industry Specialisation Westpac
- > Extensive experience in customer acquisition
- > Bachelor of Business Economics and Finance RMIT



LUCY FOSTER

JOINT CEO GENERATION LIFE

- > Previously Joint Head Wealth Strategy CBA
- > Extensive experience in financial services strategy and execution in Australia and overseas
- > MBA (distinction) from the University of Strathclyde and an undergraduate degree in Medical Sciences from the University of Glasgow.





2017/2018 – Focus on Bonds & Developing Future Growth Strategy

People

- > Continue to invest in new staff, implemented new sales reporting and operating rhythms

Brand

- > Launch Generation Life **DECEMBER**
- > Hard Launch Generation Life **MARCH**

IT

- > New Website landing page **DECEMBER**
- > Comparison Calculators **DECEMBER**
- > Online Forms & transactional capability **MARCH**
- > Enhanced Web Portal **MARCH**

Product

- > Funeral Bond Launch **DECEMBER**
- > New Funds & Product Enhancements **DECEMBER**
- > New PDS **DECEMBER**
- > Further Menu Innovation **APRIL**
- > Develop Retirement Income Strategy **MARCH - JUNE**

Distribution

- > Lift YoY sales 20% **JUNE**
- > Increase active adviser numbers 20% **JUNE**
- > Develop HNW Strategy **MARCH - JUNE**





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