

19 October 2018

AGM PRESENTATION TO SHAREHOLDERS

Attached is an extract of the slide presentation to be presented to shareholders at the EQT Holdings Limited 2018 Annual General meeting today.

An audio recording of the address by the Chairman and the Managing Director will be available online in the [Investor Centre](#) on the Equity Trustees website this afternoon.

Equity Trustees was established in 1888 for the purpose of providing independent and impartial Trustee and Executor services to help families throughout Australia protect their wealth. As Australia's leading specialist trustee company, we offer a diverse range of services to individuals, families and corporate clients including asset management, estate planning, philanthropic services and Responsible Entity (RE) services for external Fund Managers. Equity Trustees is the brand name of EQT Holdings Limited (ABN 22 607 797 615) and its subsidiary companies, publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Bendigo, Sydney, Brisbane, Perth and London.

FURTHER INFORMATION

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Equity Trustees

ANNUAL GENERAL MEETING

The Hon Jeffrey G Kennett AC, Chairman

Mick O' Brien, Managing Director

EQT HOLDINGS LIMITED

**ANNUAL
GENERAL
MEETING**



**THE HON JEFFREY G KENNETT AC
CHAIRMAN**



Click the link (or the image above) and scroll down to view the video – <https://eqt.com.au/investor-centre>

BOARD OF DIRECTORS



**THE HON JEFFREY G
KENNETT AC**
Chairman



ALICE JM WILLIAMS
Independent Director



ANNE M O'DONNELL
Independent Director



KEVIN J ELEY
Independent Director



D. GLENN SEDWICK
Independent Director



JAMES MINTO
Independent Director



MICK O'BRIEN
Managing Director

AGENDA

- (1) 2018 HIGHLIGHTS**
- (2) STRATEGY UPDATE**
- (3) ITEMS OF BUSINESS**



**ANNUAL
GENERAL
MEETING**



**THE HON JEFFREY G KENNETT AC
CHAIRMAN**

**ANNUAL
GENERAL
MEETING**



**MICK O'BRIEN
MANAGING DIRECTOR**

LEADERSHIP TEAM



MICK O' BRIEN
Managing Director



PHILIP GENTRY
Chief Financial Officer
& Chief Operating Officer



SHARNI REDENBACH
General Manager,
Human Resources



HARVEY KALMAN
Executive General
Manager, Corporate
Trustee Services



IAN WESTLEY
Executive General
Manager,
TWS Private Clients



MARK BLAIR
General Manager,
TWS Superannuation
Portfolio Services



**CARMEN
LUNDERSTEDT**
Company Secretary



STRONG IMPROVEMENT IN PERFORMANCE

- Net profit up 28% to \$19.7m
- Revenue up 11%
- Disciplined expense management – increase 3.8%
- FUMAS* up 21% to \$86.2b – a record
- Basic earnings per share up 26% to 97.3 cents
- Total dividend for the year 82 cents, up 15.5%
- All areas of business experiencing strong growth
- Delivering for all stakeholders



MOMENTUM BUILDING

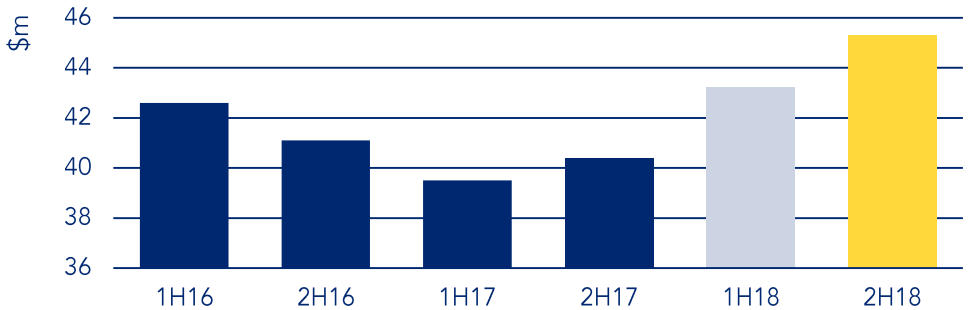
DRIVEN BY ORGANIC GROWTH, PARTNERSHIPS AND ACQUISITIONS

- Core businesses performing strongly
 - Significantly improved Trustee and Wealth Services (TWS) performance
 - Continued, consistent Corporate Trustee Services (CTS) performance
- Acquisitions and partnerships delivering
 - Sandhurst acquisition fully integrated and performing well
 - Majority shareholding in UK-based Treasury Capital Ltd (TCL) – tapping global expansion
 - Aon Master Trust appointment – doubles size of super trustee business
 - Acquisition of OV* Responsible Entity (RE) business – cements EQT as Australia's Leading RE
- Industry environment favours specialist independent trustee model
- Significant improvement in staff engagement and good progress in client satisfaction

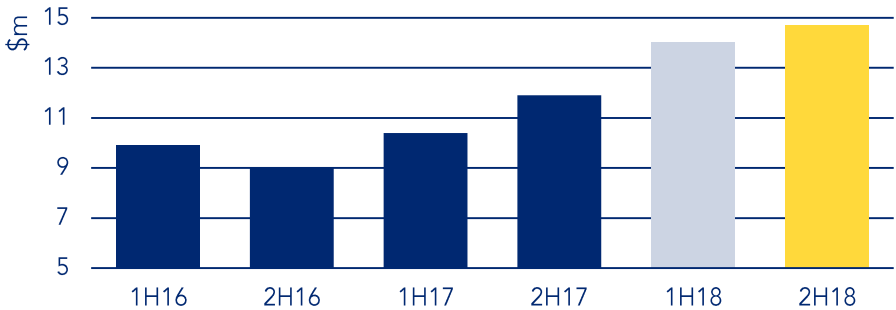


STRONG HALF ON HALF FINANCIAL PERFORMANCE

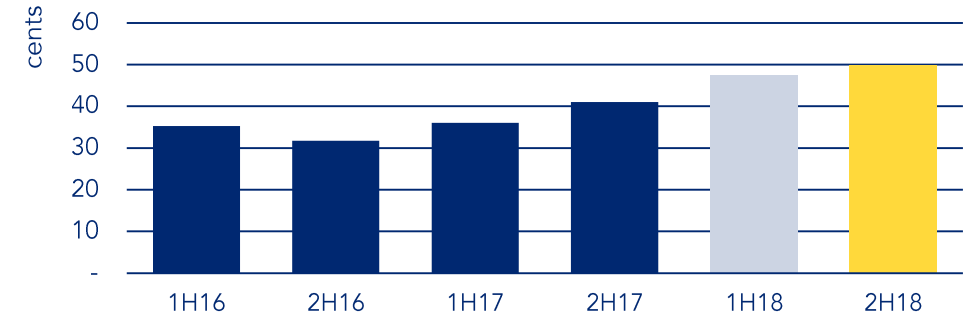
TOTAL REVENUE **\$45.3M**



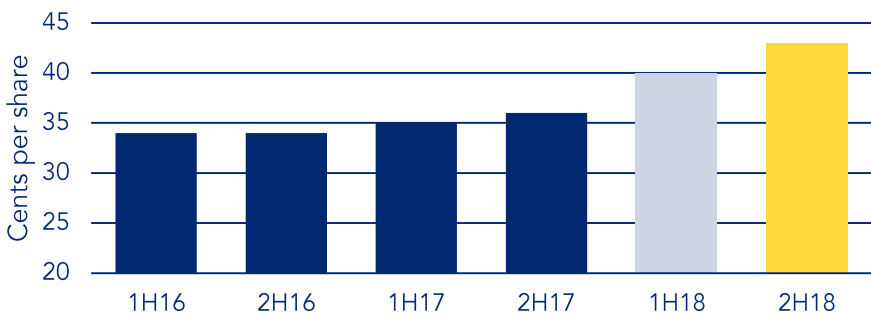
NET PROFIT BEFORE TAX (NPBT) **\$14.7M**



EARNINGS PER SHARE (EPS) (CENTS) **49.8CENTS**



DIVIDENDS (CPS) **42CENTS**





STRONG CAPITAL POSITION

- Cash and liquid investments \$68m
 - Borrowings \$20m
 - Opportunities for capital efficiency
 - OneVue RE capital ~\$3m over 6 months
 - Licence consolidation – \$5m over medium term
 - Dividend policy to pay out 70% to 90% of reported NPAT – expected to provide sufficient retained earnings to fund regulatory capital
 - A 10%* increase in revenue for CTS requires an additional ~\$3m in longer term regulatory capital. TWS doesn't require additional regulatory capital
 - Debt facility renewed for 3 year term and limit increased to A\$40m - provides additional flexibility to support regulatory capital or investment
- Comfortably meeting regulatory capital requirements
 - Opportunities for further capital efficiency

* Based on current portfolio of funds and activities
Data as at 30 June 2018

CLARITY OF PURPOSE: T4 TARGETS

T1
IMPROVING
CLIENT
SATISFACTION

T2
LIFTING
EMPLOYEE
ENGAGEMENT

T3
GROWING
SHAREHOLDER
VALUE

T4
DEEPENING
COMMUNITY
IMPACT



MEASUREMENT:

T1

Net promoter score
Net loyalty score

T2

Engaged and
enabled staff

T3

Earnings per
share growth and
FUMAS growth

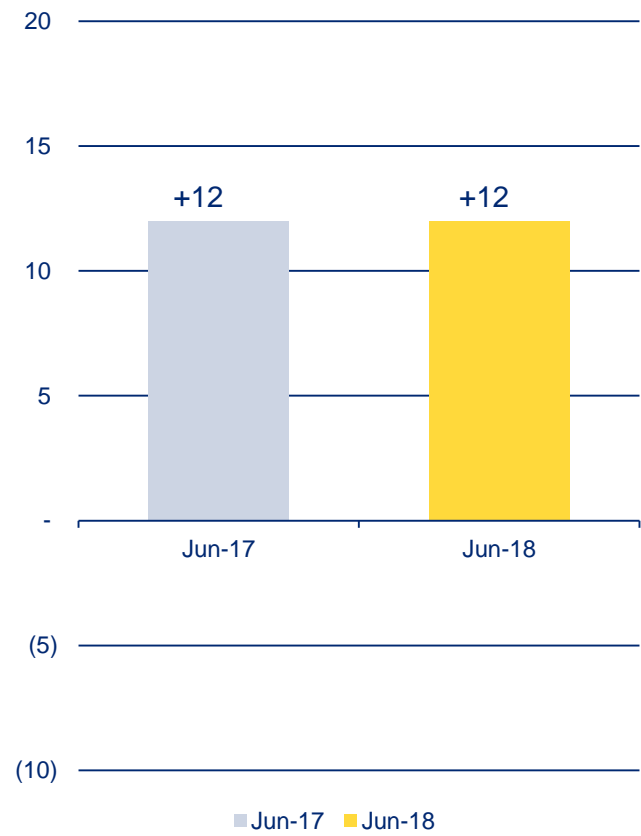
T4

Granting and
volunteering

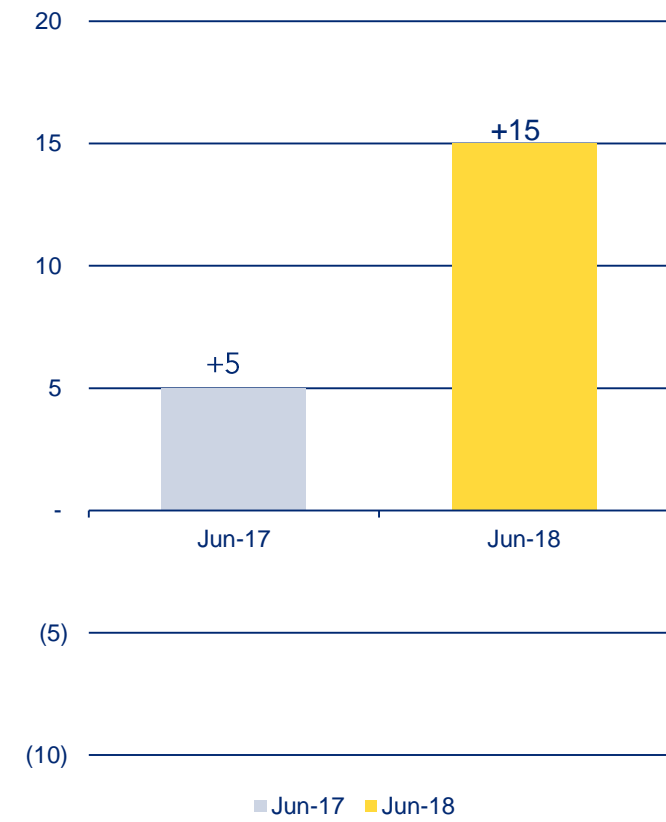


T1 – IMPROVING CLIENT SATISFACTION

NET PROMOTER SCORE



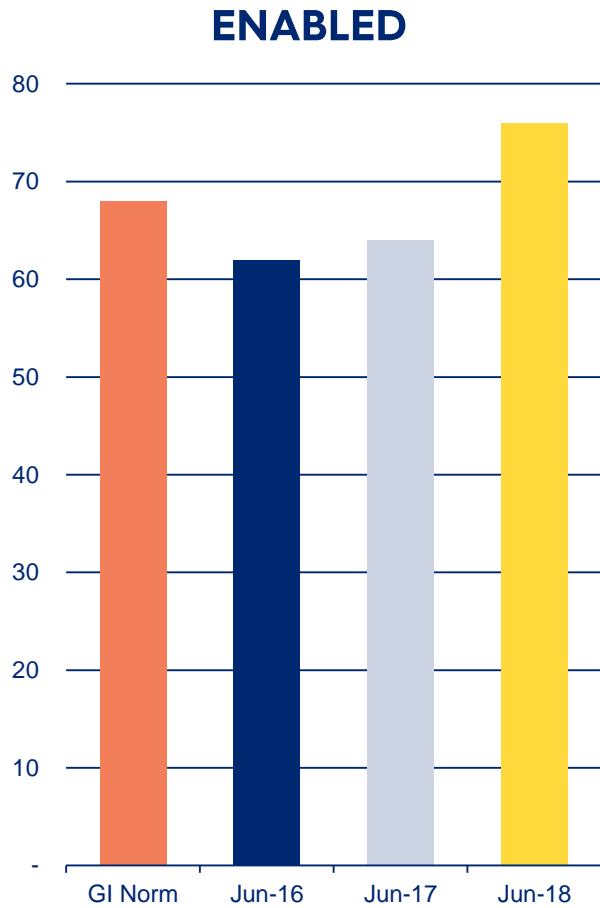
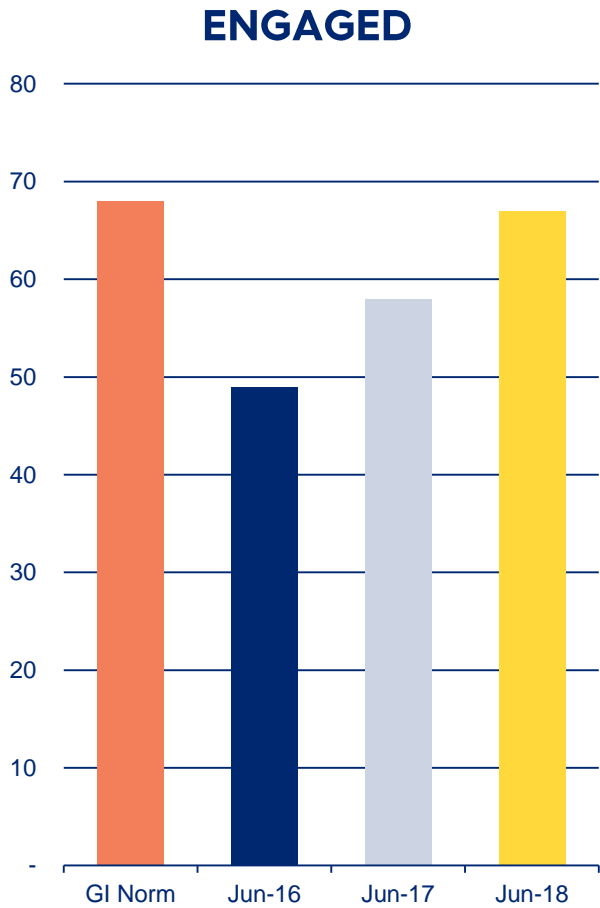
NET LOYALTY SCORE



- Digital strategy focused on significantly improved client experience
- Investment in business development, front-line capabilities and enhanced client reporting

*Net Promoter score – net measure of clients willing to recommend EQT
**Net Loyalty score – net measure of clients prepared to purchase another EQT product or service.

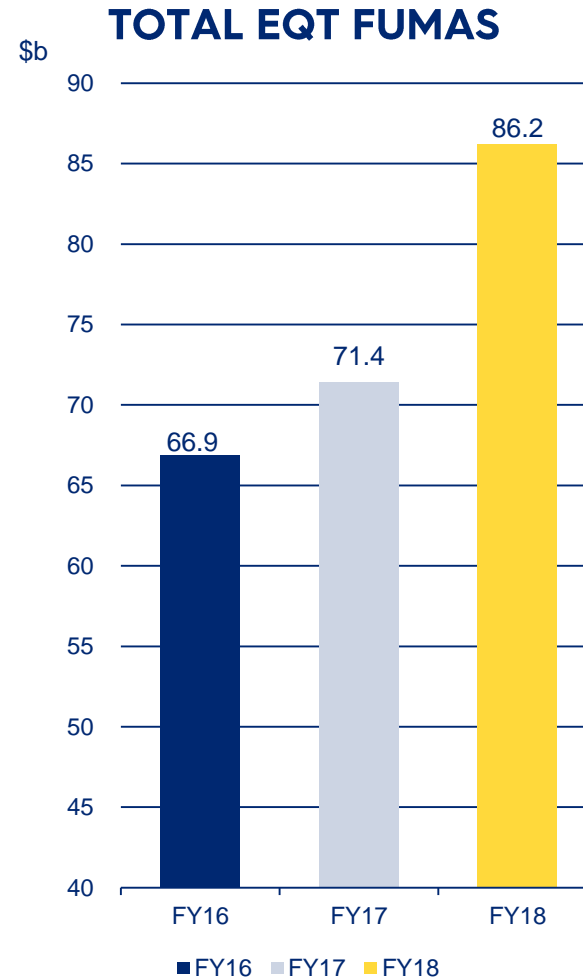
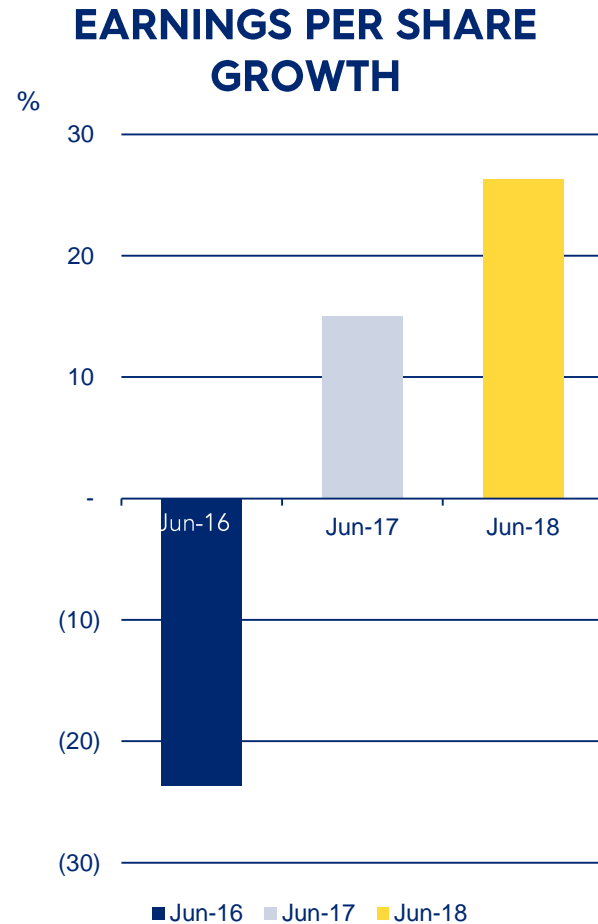
T2 – LIFTING EMPLOYEE ENGAGEMENT



GI Norm: General Industry norm



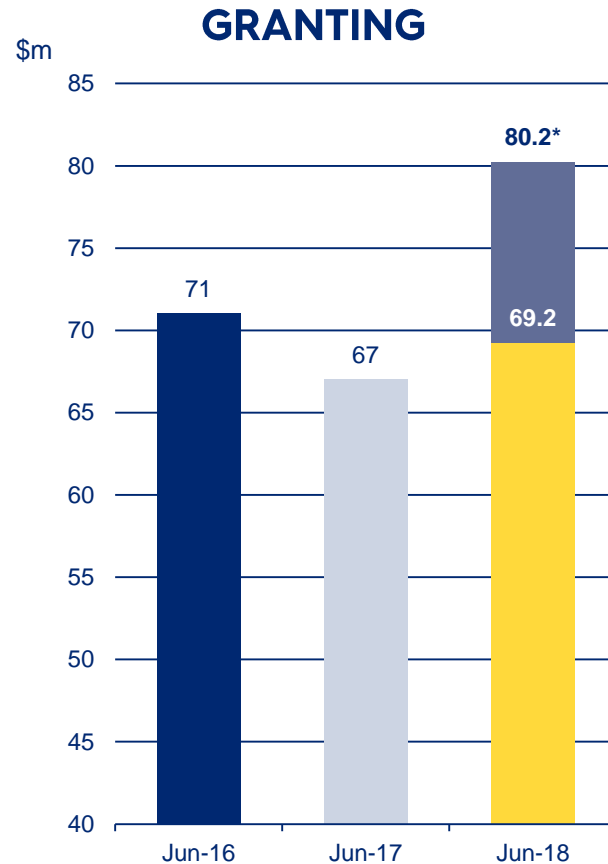
T3 – GROWING SHAREHOLDER VALUE



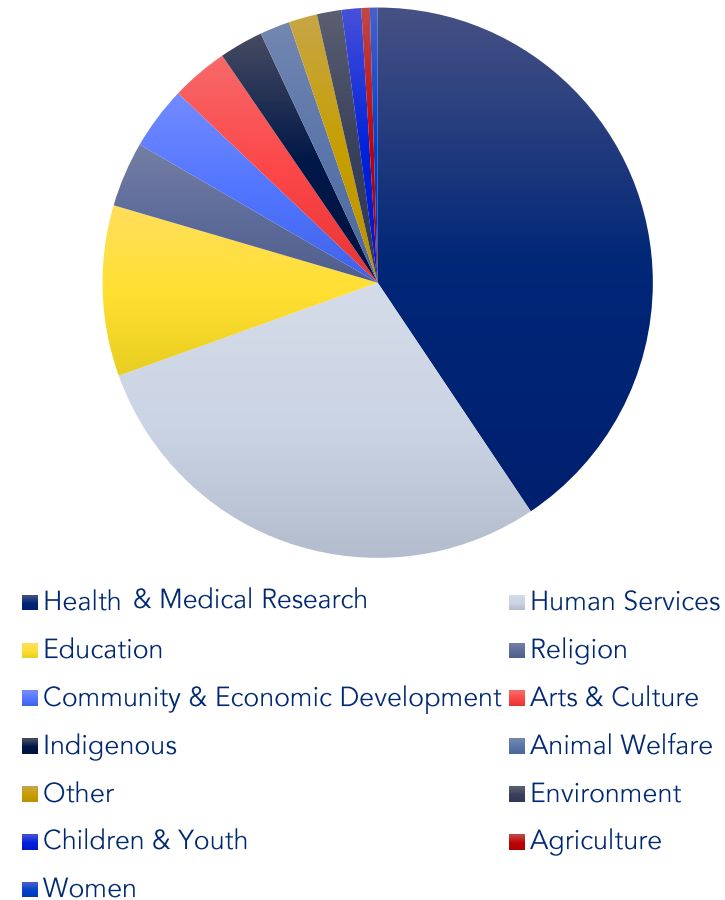
- Substantial lift in net profit after tax and earnings per share
- 21% increase in FUMAS



T4 – DEEPENING COMMUNITY IMPACT



FY18 GRANT DISTRIBUTION**



- Annual granting program to over 2,000 beneficiaries
- Implementation of workplace volunteering and giving program for staff

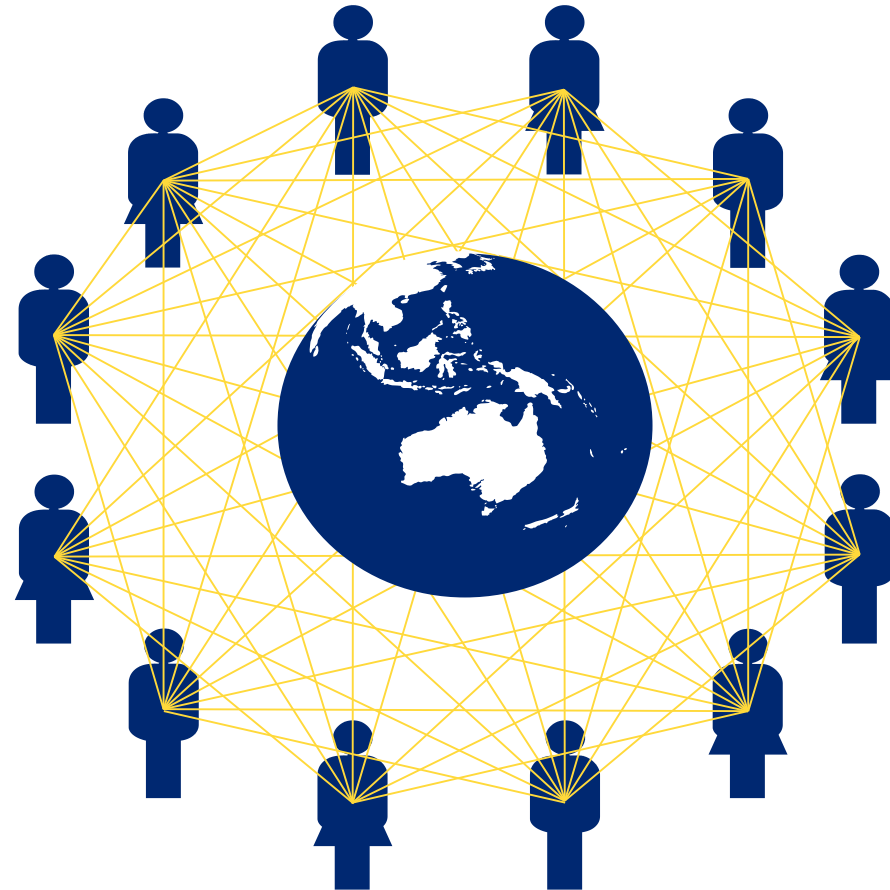
* This includes \$69.2m from charitable trusts and \$11m in one off payments directly from Estates and Trusts

** This is a breakdown of charitable trusts only
Data as at 30 June 2018



PHILANTHROPY HIGHLIGHTS

CLEAR SINGLE-MINDED PURPOSE: BEING AUSTRALIA'S LEADING SPECIALIST INDEPENDENT TRUSTEE COMPANY





FAVOURABLE INDUSTRY DYNAMICS

- Underpinned by demographic and industry trends
 - Ageing, wealthier population with more complex needs
 - Mandated superannuation flows ensure ongoing growth
- Boosted by industry transformation
 - Emerging trend for corporates to outsource specialist trustee role
 - Industry concerns re conflicts and independence will favour EQT
- Global opportunities
 - Global funds market is over US\$70 trillion and growing steadily
 - Opportunities to cross-sell to EQT global client base

**KEY MARKETS
ALL OFFER
STRONG
GROWTH
OPPORTUNITIES**



UNWAVERING FOCUS ON TRUST, GOVERNANCE, RISK MANAGEMENT AND FIDUCIARY RESPONSIBILITY

- EQT's services are built on a foundation of trust and governance
- Core business – providing fiduciary services to private clients, fund managers, superannuation promoters and corporates
- Our proposition is valued more highly than ever
 - Our role is to represent the interests of investors, unitholders and members
 - Our model means we don't provide services or products that compete with our clients or partners
- Key advantages of our model for clients and partners include
 - Access to professional expertise of specialist trustee – best practice model
 - Assists in achieving structural independence and reducing conflicts of interest
 - Simplifies business and enables clients to focus on core business
 - Reduces risks



COMMITMENT TO RECONCILIATION

CONTRIBUTE TO GREATER EQUALITY IN SOCIAL AND ECONOMIC OUTCOMES BETWEEN OUR FIRST AUSTRALIANS AND THE BROADER COMMUNITY

- Reconciliation Action Plan (RAP) endorsed by Reconciliation Australia
- Equity Trustees provides trustee and investment management services to Aboriginal and Torres Strait Islander communities
- Equity Trustees directs philanthropic funds to a wide variety of programs assisting our First Australians

**OUR AIM IS TO
BUILD CAPACITY
AND EMPOWER
ABORIGINAL
COMMUNITIES
TO INCREASE
PARTICIPATION
IN THE
MANAGEMENT
OF THEIR
WEALTH**



UPDATE FIRST QUARTER FY19

- Appointment of new leaders in Asset Management
- Increased volatility of fund inflows and outflows
- Launch of NB Global Corporate Income Trust +\$413m – new listed vehicle
- Strong pipeline for RE and RSE opportunities



WELL POSITIONED FOR CONTINUED GROWTH

- Substantial lift in financial performance
 - NPAT, revenue, earnings per share and dividend all higher
 - Result built on fundamentals
 - Strong organic growth
 - Benefits from restructuring being realised
 - Expenses well managed
 - Increasing contribution from acquisitions and partnerships
- Good momentum and clear growth agenda
 - Committed and engaged workforce
 - Attractive industry fundamentals – Australia and overseas
 - Leveraging core strengths and capabilities to grow organically through partnerships and acquisitions
 - Encouraging outlook for FY19 and beyond

**ANNUAL
GENERAL
MEETING**



**THANK
YOU**



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