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Via ASX Online

21 November 2014

ASX Market Announcements Office
ASX Limited

Easton Investments Limited (ASX:EAS) 2014 Annual General Meeting Presentation

Please find attached a presentation that will be delivered to shareholders at the Company's Annual General Meeting to be held today.

For further information, please contact –

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EASTON INVESTMENTS LIMITED

2014 Annual General Meeting

21 November 2014

Disclaimer

The information contained in this presentation is not intended to be exhaustive and must be considered in conjunction with all other publicly available information disclosed by Easton to the Australia Securities Exchange from time to time.

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This presentation has not been subject to auditor review.

Financial Statements and Reports

Kevin White & Greg Hayes –
Joint Managing Directors

2013/14 Full Year Highlights

Operational

- Non-core and uneconomic businesses divested
- Operations streamlined and costs trimmed
- Continuing businesses operating profitably

Financial

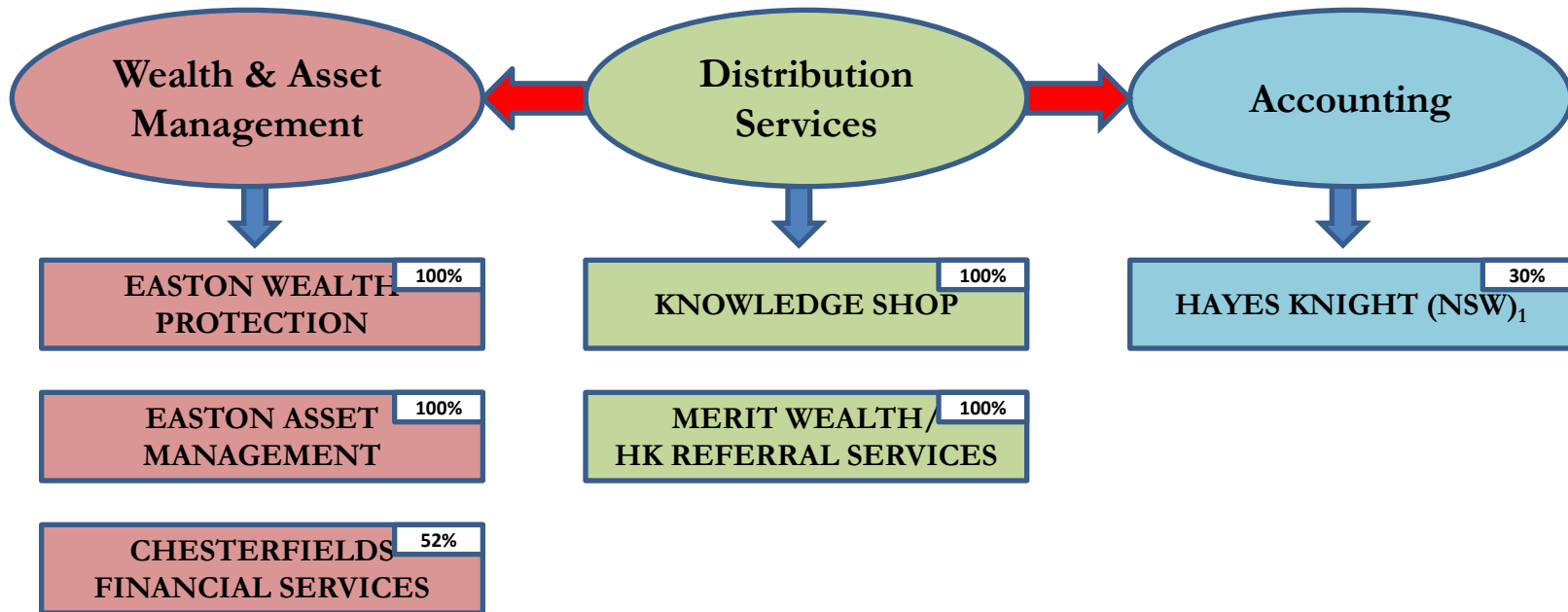
- Normalised EBITA = \$716k (2013: Loss of \$595k)
- Strong 2nd half result – Normalised EBITA = \$682k
- Reported NPAT = Loss of \$1.71m (2013: Loss of \$3.49m)
 - Includes non-cash costs of \$2.23m, non-recurring and non-operational costs of \$0.81m and tax benefit of \$0.75m due to recognition of carried forward losses
- Cash balance at year end = \$2.59m
- Borrowings at year end of \$0.78m

Strategic

- Direction, Strategy and Business Model clearly articulated
- Important strategic transaction completed – important step in building a meaningful distribution business

Easton Investments

Operations Simplified into 3 Divisions



- Each Division has a strategic growth focus
- Plans include building a network of Accounting and Wealth Management firms

1. Incorporates Hayes Knight Services (NSW) Pty Ltd

2013/14 Divisional Performance

Normalised Divisional Result	2014	2013	Change
	(\$'000)	(\$'000)	(%)
Wealth & Asset Management			
• Revenue	3,782	3,406	11%
• Contribution	1,309	477	174%
Distribution Services			
• Revenue	1,507	-	n/a
• Contribution	296	-	n/a
Accounting (1)			
• Revenue & Contribution	46	-	n/a
Total Segment Result (2)			
• Revenue	5,335	3,406	57%
• Contribution - Normalised	1,651	477	246%

Notes: (1) Reflects equity accounted contribution

(2) Excludes normalised corporate costs of \$935k (2013: \$1,054k)

Strategic Intent & Business Model

- ❖ **GROW BY ACQUISITION** – Narrow focus on building a meaningful distribution capability in financial services in Australia
 - ❑ Seek to acquire interests in quality and aligned accounting and financial planning businesses
 - Accountants are the “gate keepers” with key client relationships in the high net worth (HNW) and small to medium enterprises (SME) sectors
 - A network achieves scale, where scaled distribution has strategic value
 - ❑ Apply a different (superior) business model to others in the sector
 - Prefer “meaningful” interests, not 100% ownership
 - Alleviates many of the issues faced by others in the sector, such as remuneration and retention
 - Provides benefits of listed company involvement to a broad network of firms with similar businesses, aspirations and cultures (strong Value Proposition)

- ❖ **GROW ORGANICALLY** –
 - ❑ Leverage Knowledge Shop’s unique distribution capability
 - ❑ Develop Merit Wealth’s adviser and accounting referral network
 - ❑ Continue to build the Wealth and Asset Management division
 - ❑ Support the growth of acquired business interests

2014/15 Outlook

- ❖ Further strong improvement in underlying performance is expected in 2015
- ❖ Normalised EBITA is expected to exceed \$2.5m given full year contribution from the Hayes Knight NSW businesses, plus continued improvement from the Company's other businesses
- ❖ The expected result is subject to normal trading conditions prevailing over the next 12 months
- ❖ Carried forward tax losses of \$3.85 million as at 30 June 2014 will provide income tax payment relief over the coming year and augment cash flow
- ❖ Continued focus on quality acquisitions
 - Very selective and must be earnings accretive
- ❖ Clear strategic intent
 - Realistic plans to become a leading distribution company in the financial services sector
 - A differentiated business model

**Looking to
attract firms with the
right culture**

Update – 4 months to 31 October 2014

- ❖ Strong improvement in underlying performance emerging
 - ❑ Knowledge Shop well ahead of plan
 - ❑ Merit Wealth / HKRS behind plan due to slower than expected roll-out of Referral Rights Agreements
- ❖ Company is on track to achieve its forecast Normalised EBITA for the full year of \$2.5m (subject to normal trading conditions continuing for the remainder of fiscal 2015)
- ❖ Cash position at 31 October 2014 (unaudited) = \$3.3m (up from \$2.6m at 30 June 2014 – boosted by cash flow from operations)
- ❖ Good pipeline of acquisition opportunities being assessed
- ❖ Several funding options being investigated
- ❖ Full year outlook remains promising