PACIFIC CURRENT GROUP

33° 52' 4.675" S 151° 12' 36.431" E
Level 14, 39 Martin Place, Sydney NSW 2000
T: +61 2 8243 0400 // F: +61 2 8243 0410

ASX ANNOUNCEMENT
29 February 2016

PACIFIC CURRENT GROUP HALF YEAR RESULTS
Period ending 31 December 2015

HIGHLIGHTS

- PAC Underlying NPAT of $5.7m for 1H16
- Net loss of $10.0m, includes significant non-recurring expenses including impairment charges of $13.5m and transaction costs of $4.7m
- Interim fully franked dividend of 20cps, representing a payout ratio of approximately 95% on underlying NPAT
- Transformational strategy complete and initial benefits achieved through debt repayment, asset acquisitions and synergies
- Strategic deployment of capital achieved into two high growth investment opportunities – Aperio Group, LLC ("Aperio") and Strategic Capital Investors ("SCI")
- Solid performance in "Growth boutiques" – Blackcrane and EAM
- Aggregate FUM of $30.9bn, down 11% primarily due to loss of FUM at RARE and Seizert

Pacific Current Group Limited (ASX:PAC, "Pacific Current" or Company), a global multi-boutique asset management firm, is pleased to report the Company's half year results for the six month period ending 31 December 2015. The result reflects six months of significant change and transition that Management believes will reposition the Company for sustained long-term growth.

Pacific Current is a listed company that owns 65% of the Aurora Trust ("Trust") established in the merger between Treasury Group and Northern Lights Capital Group in November 2014. The Trust holds the business operations and interests in the boutiques of the combined businesses.

A FOCUS ON CREATING SYNERGIES

During 1H16, Tim Carver was officially appointed Managing Director and CEO of Pacific Current Group, following the departure of prior Treasury Group CEO, Andrew McGill. This transition, which was completed on 31 August 2015, brought continued focus on the FY2016 strategy and reinforced the strong leadership team at Pacific Current.

Post period end, on 18 January 2016, the Company formally announced the launch of the new brand platform, renaming the merged entity to Pacific Current Group (ASX:PAC "PAC"), formerly known as Treasury Group (formerly ASX:TRG) following approval by shareholders at the Annual General Meeting on 15 October 2015.

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Over 1H16 Management remained focused on the merger of Treasury Group and Northern Lights Capital Group operations to build synergies across the organisation. Management placed significant attention towards executing the strategic plan to reposition the portfolio to create broader diversification and increased sustainability for shareholders.

OPERATIONAL RESULTS

During the period, Pacific Current has seen benefits from the ongoing transformational strategies put in place throughout CY15. Noting, the sale of a majority of its interest RARE to Legg Mason, delivered outstanding returns on initial cash investment of greater than 33 times cash return over 9 years of ownership. Pacific Current continues to hold 10% equity interest as well as an earn-out potential to provide equity upside to the Company from FUM growth in the RARE business.

Another significant transaction included the de-leveraging of the business through the repayment of $62m of external debt on 4 January 2016, which will see a significant reduction in interest expense in 2H16 and increased financial flexibility for the group.

Pacific Current also successfully executed on two investments in 1H16. In December 2015 Pacific Current signed a purchase agreement to acquire a 24.3% minority-ownership stake in California-based Aperio for a total consideration of US$31.8m (A$44.2m) using proceeds from the sale of RARE. As of 31 December 2015, Aperio managed A$18.3bn in FUM in customised index-based client solutions using tax management, factor tilt and ESG (Environmental, Social and Governance) strategies. Management believes, Aperio will add revenue and asset class diversification to the Pacific Current's portfolio, provide value accretion and replace a portion of the revenue lost from the RARE. The transaction was completed in January 2016.

PAC also invested in London-based SCI, a hedge fund seeding platform. Post period end, Pacific Current took a 60% equity stake in SCI and assisted in the launch of a hedge fund acceleration vehicle, with an initial commitment of US$78m from the Santander UK pension scheme.

With regards to personnel, the combined team has also worked to reduce overall costs, including limiting head count and applying efficient re-organisation strategies. Since August 2014, the net head count has been reduced by a net of eight personnel (approximately 22 percent of staff), through redundancies and natural attrition.

PORTFOLIO AND FUM UPDATE

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Despite market volatility and general market weakness globally in 1H16, "Growth boutiques" for the fund exceeded broader market performance, with a mixed portfolio results across "Core boutiques". Overall, Pacific Current benefited from the diversification of its 19 different boutiques, all contributing revenue derived through various asset classes and geographies.

Offsetting the impact of the weak market, strong earnings momentum at Investors Mutual ("IML") and Aether exceeded management expectations and these boutiques are expected to continue to deliver strong growth performance. Strong business momentum was also accomplished at "Growth boutiques" Blackcrane and EAM.

Total funds under management (FUM) at 31 December 2015 was $30.9bn, down 11% on 1H15 and down 3% on 30 September 2015. The main contributors were the previously flagged performance of RARE and Seizert. Total funds under management represents the aggregate of all boutique FUM as if each boutique was 100% owned by the Trust.

FINANCIAL RESULTS FOR THE TRUST

Consolidated loss after tax (NPAT) for the six month period to 31 December 2015 was $20.5m due to significant non-recurring expenses of $34.3m, with the predominant impact from the impairment of Seizert of $9.6m at the Trust level due to a loss of funds under management, market volatility and under performance. An additional impairment charge of $11.2m was reflected in the trust for 1H16 for Nereus, Tamro, TIS, GVI and Orion. In the case of Tamro, the business is being wound down. It should be noted that the result for the previous corresponding period included the profit on sale from the transfer of assets from Pacific Current Group (then Treasury Group) into the Aurora Trust.

Average net margins (excluding Trilogy and performance fees) across Aurora Trust's boutiques on a pro-forma half-year basis was 54bpts, up from 51bpts in 1H15. The key driver of this result was on-going growth in the retail mix at IML and RARE as well as growth at boutiques, including Raven, against the reduction in FUM for lower margin boutiques, including Seizert and Tamro.

Included in the Profit and Loss of the Trust are non-cash expenses of $24.3m, which includes impairments of $20.8m. The Trust also incurred $4.2m interest expense from the third party lender, Medley which was paid in full on 4 January 2016.

FINANCIAL RESULTS FOR PAC

PAC is comprised of 65% of the Trust, therefore the results from the Trust (above) should be considered when holistically understanding PAC results. PAC's underlying earnings were $5.7m for 1H16, down from the restated result of $7.1m in 1H15.

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DIVIDEND

The Board has declared a fully franked interim dividend of 20 cents per share, representing approximately 95% payout ratio of underlying NPAT. This is above the targeted 60-80% targeted payout ratio.

SUMMARY OF THE PROFIT AND LOSS FOR HALF-YEAR ENDING 31 DECEMBER 2015:

A$000's	**1H16**	**1H15**	**% Change**
Total Revenue	2.7	1.2	125.0%
Share of equity accounted investments	-	9.2	n/a
Share of earnings from Aurora	(13.3)	(1.7)	n/a
Expenses	(1.7)	(3.4)	(50.0%)
Underlying Net Profit After Tax	**5.7**	**7.1**	**(19.8%)**
Underlying earnings per share (cents)	21.0	30.0	(30.0%)
Dividend per share (cents)	20.0	24.0	(16.7%)

OUTLOOK

Pacific Current's Chairman, Mr Mike Fitzpatrick commented:

"FY15 was a significant year of change for the Company. To record an accounting loss was disappointing given the hard work put in on the RARE sale, acquisitions and costs. Your board has approved a fully franked 20cps dividend confirming our confidence in the outlook. Our primary Company goal is to continue to enhance earnings growth and resilience across the business both geographically and across boutique strategies as well as broadening our client base. Our investments in Aperio and SCI in this period delivered on this strategy by investing in both leading and start-up investment firms in growing market segments.

"The Board is confident PAC's strategy, scale and diversity will support growth into the future and generate good, long-term shareholder returns."

Pacific Current's MD and CEO, Mr Tim Carver commented:

"The business has started FY16 in a position of strength and we are pleased to report today's results. While the markets remain volatile and uncertain and the global economic recovery is still slow and dependent on monetary stimulus, volatility creates opportunity for Pacific Current to further capitalise on.

"As we have previously stated, we continue to see strong momentum from many areas of our portfolio and enhanced access to global clients. With greater financial flexibility and a strong balance sheet, Pacific Current will continue to exploit the extensive and diverse opportunities being seen across the market; those opportunities being both organic and acquisitive in nature."

CONFERENCE CALL

Investors and analysts are invited to participate in a conference call at 4:00pm AEDST on Monday 29 February 2016 to be hosted by Pacific Current Group's Chairman Mike Fitzpatrick, MD and CEO Tim Carver, COO and Finance Director Joseph Ferragina, and CIO Paul Greenwood.

The dial-in details are as follows:

An Investor Conference Call will be held today at 4:00pm AEDST.

Location	**Local Number**
Australia	+61 2 8113 1400
Australia (toll free)	1800 554 798
New Zealand	0800 450 585
Singapore	800 6163 105
United Kingdom (London)	+44 203 691 9060
United Kingdom	0808 234 8407
USA (NYC)	+1 914 449 1588
USA other	1866 839 8029

Please quote the Conference ID: **8278705**

- ENDS -

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CONTACT

For Investor Enquiries:	Tim Carver MD & CEO (+1) (206) 965 8879
For Media Inquiries in the US:	Chris Sullivan MacMillan Communications +1 212 473 4442
For Media Inquiries outside of the US:	Rebecca Lawson Media & Capital Partners +61 433 216 269

ABOUT PACIFIC CURRENT GROUP // www.paccurrent.com

Pacific Current Group is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors and partners. We apply our strategic resources, including capital, institutional distribution capabilities and operational expertise to help our partners excel. As of 29 February 2016, Pacific Current Group has 20 boutique asset managers globally.

PACIFIC CURRENT GROUP

29 February 2016

HALF YEAR RESULTS

Presenters
Tim Carver, CEO & Managing Director
Joseph Ferragina, COO & Finance Director
Paul Greenwood, CIO & Executive Director

ASX: PAC

Disclaimer

The information in this presentation is general information about Pacific Current Group and is current only at the date of this presentation. In particular, this presentation:

- is not an offer or recommendation to purchase or subscribe for securities in Pacific Current Group Limited, nor is it an invitation to any person to acquire securities in Pacific Current Group Limited;
- is not personal advice and does not take into account the potential and current individual investment objectives or the financial situation of investors; and
- contains information in summary form and does not purport to be complete.

Certain statements in this presentation may constitute ‘forward-looking statements’. Forward-looking statements are neither promises nor guarantees and involve known and unknown risks, uncertainties and other factors which may cause actual results to vary materially from any projection, future results or performance expressed or implied by such forward-looking statements.

Agenda

1. Overview
2. Portfolio Performance
3. FUM Analysis
4. PAC 1H16 Statutory & Underlying Profits
5. Trust P&L and Balance Sheet
6. Strategy
7. Outlook

Q & A

1 OVERVIEW

Overview

A successful year of strategic repositioning for sustained growth

- Successful first half repositioning of the portfolio and delivering on synergies
- Pro forma earnings at Trust proximate pre-RARE sale, taking into account debt pay down and Aperio (which does not appear in first half results)
- Portfolio positioned for strong growth
- Business poised to benefit from diversification of various revenue streams across asset classes and geographies in volatile market
- Balance sheet and pipeline remain robust

Understanding Our Financial Results

- **Pacific Current (PAC)** is a publicly-traded corporation that owns 65% of the Aurora Trust ("Trust" or "Aurora"), which was established as a result of the merger between Treasury Group and Northern Lights Capital Partners in November 2014
- **Trust results** reflect those related to business operations, leadership, and portfolio updates
- **PAC results** reflect the ownership of 65% of the aforementioned Trust plus specific tax outcomes distinct to PAC

Financial Results Summary

For the First Half of FY 2016

		1H16	1H15	% change
PAC	Statutory (loss)/profit	**($10.0m)**	**$136.9m**[1]	**n/a**
	Underlying profit	**$5.7m**	**$7.1m**	**(19.8%)**
	Interim dividend	**20.0cps**	**24.0cps**	**(16.7%)**
Trust[2]	Statutory loss	**($20.5m)**		
	Underlying profit	**$3.5m**		
	One-off expenses	**$34.3m**		
	One-off gain	**$10.2m**		

Pro forma six months[3]	
Trust underlying profit	**$4.4m**
PAC underlying profit	**$6.2m**

1. Prior year included mark to market revaluation of PAC portfolio at merger completion
2. Comparatives for the Trust not applicable as it was only in operation for one month in 1H15
3. This reflects the underlying result incorporating 10% ownership of RARE, repayment of external debt and six months pro forma of Aperio

Operational Results

- Aggregate FUM of $30.9bn 31 December 2015 – down $3.8bn or 11.0% primarily due to RARE, Seizert and Tamro (in the case of Tamro, the business is being wound down). Pro forma FUM including Aperio of $49.2bn
- Very strong business momentum from “Growth boutiques” Blackcrane, EAM, and Raven
- Strong retail net inflows (aggregate) for RARE and IML of $383m
- Strong balance sheet and pipeline of new investments

Transformational Strategy Results

Delivery on prior commitments, achieved through:

1	**Completion of sale of 75% ownership of RARE to Legg Mason**	› Completed on 21 October 2015 for A$112m upfront consideration, representing 33x cash return
2	**Significant leverage reduction of Trust's balance sheet**	› Repaid A$62m debt post 31 Dec › Will have immediate positive effect on financial performance and increase financial flexibility in second half › Significant reduction in interest expense in second half of the year
3	**A$44m investment in Aperio Group LLC ("Aperio")**	› Acquired 23.4% equity interest › Aperio has >A$18.3bn in FUM and a strong track record of FUM growth › Will add earnings in second half of year
4	**Synergy benefits of team consolidation**	› Eliminated redundancies across the combined group › Reduced net head count by 8 employees (or 22%)

Strategy Scorecard

Company achievements in 1H16

CONSOLIDATION *Preserving the Core*	ACCELERATION *Stimulating Progress*	TRANSFORMATION *Creative Partnerships*
☑ Unified management team ☑ Synergies from merger ☑ Enhanced reporting ☑ Simplifying portfolio and structure ☑ Debt repayment, strengthened balance sheet	☑ Continued strong growth from "Core and Growth boutiques" ☑ New deals: Aperio and SCI ☑ Strong pipeline	☑ Repositioning of portfolio ☑ Globally diversified for volatile markets ☑ Continuous search for new opportunities

Industry Trends: Threats and Opportunities

INDUSTRY TREND		PAC STRATEGY
Increased market volatility	→	>25% of earnings from portfolio are derived from contractual revenues
Continued decline in active management and home country bias	→	Investment in Aperio, pipeline focus on global and GEM strategies
Continued pricing pressure in active equity	→	Investment in Aperio stake brings less exposure to fee pressure
Growing allocations to alternatives	→	SCI investment, pipeline focus on alternatives

Key risks Continued exposure to active long-only boutiques, structural complexity, funding opportunities in pipeline

2 PORTFOLIO UPDATE

Core Boutiques

AETHER INVESTMENT PARTNERS, LLC

aperio

INVESTORS MUTUAL LTD

RARE

SCP SEIZERT CAPITAL PARTNERS

	Core Boutiques^
FUM as at 31 Dec 2015	**A$21.3b***
Revenue (6-months)	**A$53.4m**
Contribution to Aurora Trust earnings (6-months)	**A$11.9m**
Share of earnings to Pacific Current (6-months)	**A$7.8m**

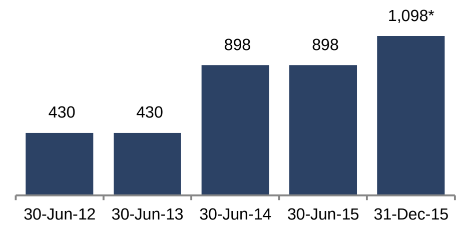
** FUM of private equity funds is based on capital commitments to each fund and does not reflect and return of capital to-date*
^ Does not include Aperio as the business was added to portfolio post 31 December 2015

Core Boutiques

ASSET GROWTH*

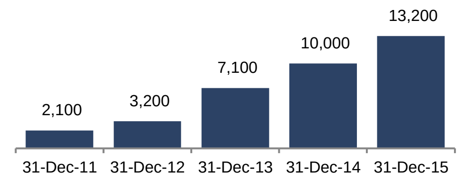
AETHER INVESTMENT PARTNERS, LLC

- Partnership established in 2008, zero FUM at inception
- 2010 closed on Fund I of US$127 million
- 2012 closed on Fund II of US$303 million
- 2013 closed on Fund III and related fund of US$179 million
- *31 December 2015 FUM of US$898 million, with US$200 million raised of 4 Jan 2016



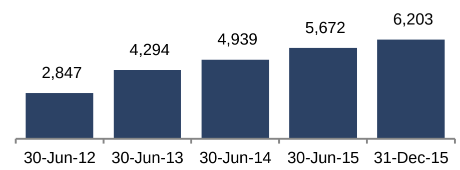
aperio

- Partnership established in January 2016
- 31 December 2015 FUM of US$13.2 billion



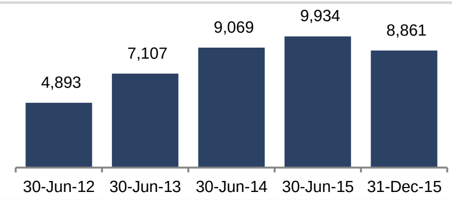
IML INVESTORS MUTUAL LTD

- Partnership established in 2001, FUM of A$300 million
- Distribution agreement in AUS supported asset growth
- 31 December 2015 FUM of A$6.2 billion



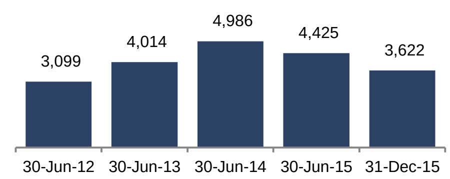
RARE

- Partnership established in 2006, zero FUM at inception
- Distribution agreements in AUS and UK / EU supported significant asset growth and new product launches
- 31 December FUM of A$8.9 billion



SCP SEIZERT CAPITAL PARTNERS

- Partnership established in 2008, FUM of US$826 million
- 2011 distribution effort moved Seizert's Mid Cap strategy to top institutional asset gatherer (Callan Report)
- 31 December 2015 FUM of US$3.6 billion



*IML and RARE shown in A$; Aperio, Aether, and Seizert shown in US$.

Growth Boutiques

Blackcrane CAPITAL

EAM GLOBAL INVESTORS

RAVEN CAPITAL MANAGEMENT

ROC PARTNERS

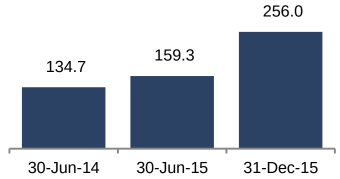
	Growth Boutiques
FUM as at 31 Dec 2015	**A$6.4b***
Revenue (6-months)	**A$10.5m**
Contribution to Aurora Trust earnings (6-months)	**A$0.02m**
Share of earnings to Pacific Current (6-months)	**A$0.01m**

** FUM of private equity funds is based on capital commitments to each fund and does not reflect and return of capital to-date.*

Growth Boutiques

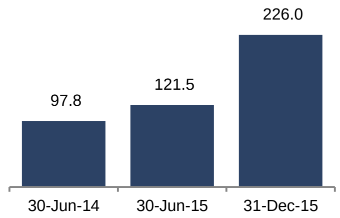
Blackcrane CAPITAL

- Partnership established in 2014, FUM of approximately US$3 million
- Secured anchor investor (SEI) in 2014 and initiated global distribution effort
- 31 December 2015 FUM of US$256 million with active and robust pipeline



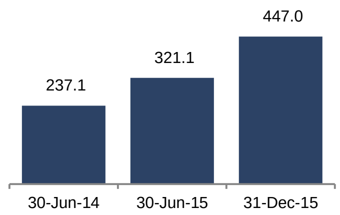
EAM GLOBAL INVESTORS

- Partnership established in 2014 to launch non-US strategies through EAM subsidiary
- PAC conducted over 300 meetings globally to raise assets
- 31 December FUM for non-US strategies of US$226 million with strong pipeline



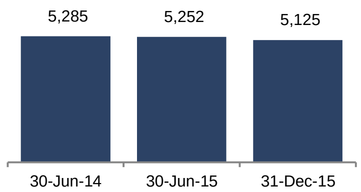
RAVEN CAPITAL MANAGEMENT

- Partnership established in 2009, zero FUM and no fund structure
- Secured anchor investor and raised Fund I (US$153 million) and Fund II (US$84 million)
- Raven is currently in market with Fund III (target of US$300 million, US$200 million closed at 31-Dec-15)



ROC PARTNERS

- Partnership established in 2014, FUM of A$5 billion
- Currently in market with Asian Secondaries Fund III (US$200 million target)
- In market with Co-investment Fund III (US$150 million target)



ROC shown in A$; Blackcrane, Raven and EAM shown in US$. In 2013, assets now managed by ROC were held by Macquarie Private Equity.

Other Boutiques

ALPHA SHARES

AUBREY CAPITAL MANAGEMENT

CELESTE Funds Management

FIM Freehold Investment Management

Goodhart partners

Nereus

OCTIS

STRATEGIC CAPITAL INVESTORS

	Other Boutiques*
FUM as at 31 Dec 2015	**A$3.2b**
Revenue (6-months)	**A$8.2m**
Contribution to Aurora Trust earnings (6-months)	**A$0.3m**
Share of earnings to Pacific Current (6-months)	**A$0.2m**

**All figures exclude relevant financial data for Orion Asset Management and WHV*

3 FUM ANALYSIS

Translating the Aurora Trust Portfolio

	Total FUM	Total Revenue	Total Contribution to Earnings
Core Boutiques	$21.26b	$53.37m	$11.95m
Growth Boutiques	$6.40b	$10.48m	$0.02m
Other Boutiques	$3.21b	$8.22m	$0.27m
TOTAL:	**$30.87b**	**$72.07m**	**$12.24m**

Total Portfolio FUM: **$30.87b**

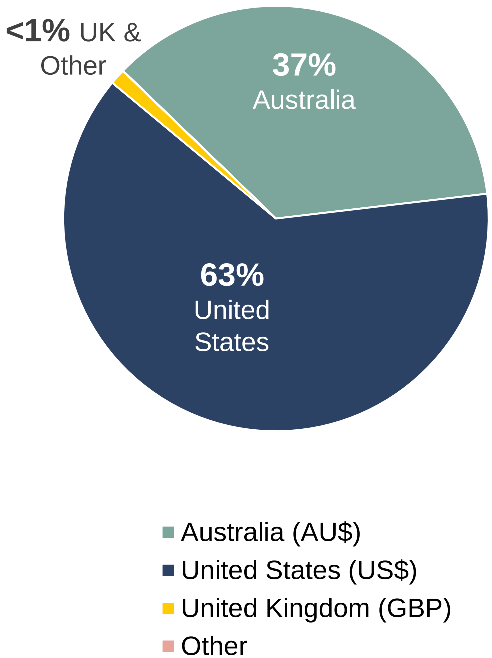
Total Portfolio Earnings to Aurora: **$12.24m**

% BPS: **7.89 bps** annual rate based on 6-Month Underlying Earnings from Associates

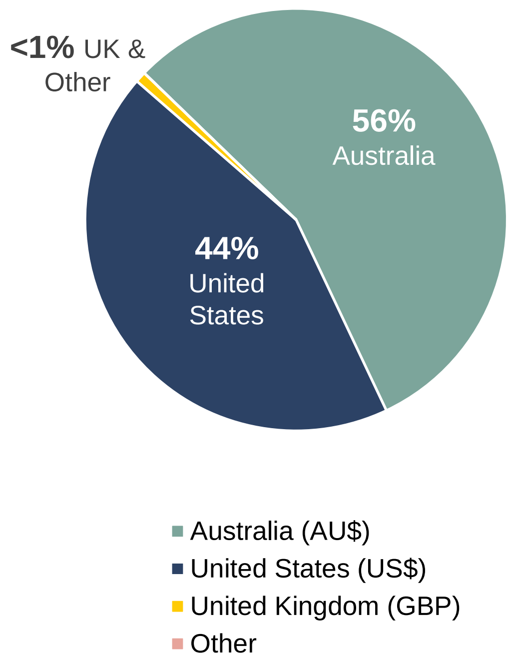
Earnings Breakdown

Benefits of a diversified portfolio across geographies and core / growth boutiques

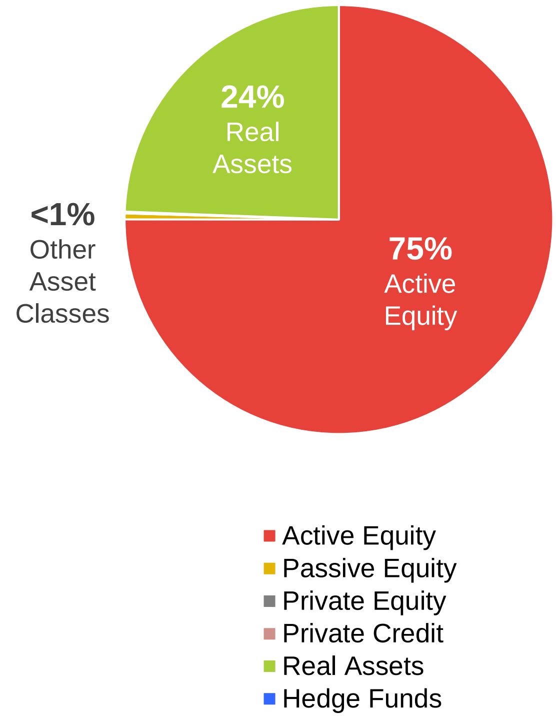
Aurora's Statutory Earnings from Associates by Primary Currency of Revenues



Aurora's Underlying Earnings from Associates by Primary Currency of Revenues



Aurora Earnings (A$) by Associates' Investment Strategy



** Difference in Statutory and Underlying Earnings from Associates is driven by transaction costs associated with sale of RARE.*

FUM Exposure to Market "BETA"

- Total FUM in Investment Strategies with "Market-Exposed" Revenue: **$23.9b FUM (77.5%)**
- Total FUM in Investment Strategies with "Contractual" Revenue: **$7.0b FUM (22.5%)**

- Market-Driven Revenues at Associate Level **$57.4m** | **% of total: 79.7%**
- Contractual Revenues at Associate Level **$14.6m** | **% of total: 20.3%**

- Market-Driven contribution to Aurora earnings: **$9.2m** | **% of total: 74.9%**
- Contractual contribution to Aurora earnings: **$3.0m** | **% of total: 25.1%**

4 PAC 1H16 STATUTORY & UNDERLYING PROFITS

Review of 1H16 Results

PAC Statutory P&L for six months to 31 Dec 2015

P&L Highlights (A$m)	PAC Statutory 1H16
Revenue	2.7
Employee expenses	(1.4)
Other expenses	(0.3)
Share of losses from Aurora Trust	(13.3)
Net (Loss) Before Tax	**(12.3)**
Income tax benefit	2.3
Net (Loss) After Tax	(10.0)
Underlying Net Profit	5.7
Underlying Earnings Per Share (cents)	21.0
Dividend Per Share (cents)	20.0

- Statutory PAC Profit and loss primarily reflects share of profit and loss from Aurora Trust, the business operations of the Group
- Revenue from distribution and other services provided by PAC including recharge for Australian employment expenses
- Aurora Trust impacted by impairment charges, direct transaction costs and share of transaction costs incurred by RARE
- Income tax benefit resulting from a tax efficient structure

Significant Non-recurring Items

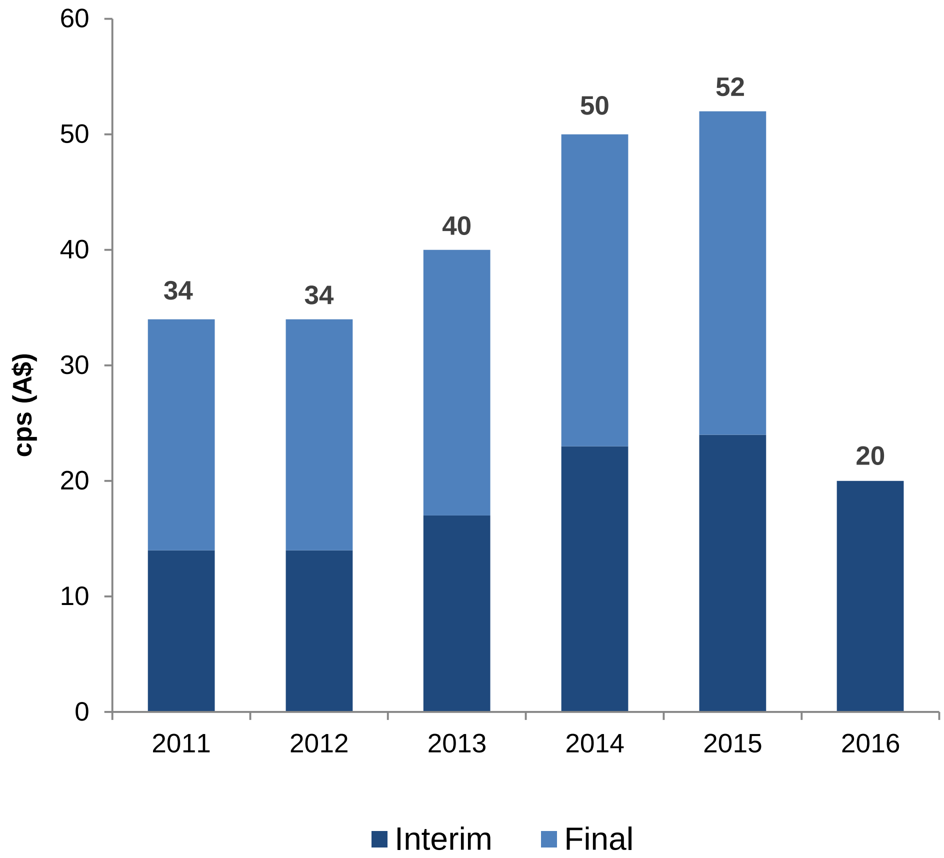
Underlying net positive result after taking out one-off significant items

PAC P&L (A$m)	1H16
PAC Statutory (Loss) After Tax	**(10.0)**
Gain on sale of investment (RARE)	(6.6)
Transaction costs at RARE	3.7
Transaction costs at Aurora for RARE	1.0
Prepayment penalty on Medley debt/loan origination costs write-off	1.5
Amortisation of identifiable intangibles (non-cash)	0.8
Fair value adjustments (non-cash)	1.4
Impairment of investments (non-cash)	13.5
Transaction costs for Aperio and SCI	0.3
Employee redundancies	0.1
PAC Underlying Profit	**5.7**

- All non-recurring items are PAC share of expense/gain from Aurora trust
- Gain on sale of investment reflects profit on sale of RARE
- Transaction costs incurred at RARE corporate level as well as incurred by Aurora has been separated as one-offs
- Medley debt was paid early resulting in a one-off prepayment penalty
- Impairment of investments include write-downs of TIS, GVI, Tamro, Seizert and Orion

Financial Strength and Dividends

Sustained dividend growth over five years



Dividends:

- Final dividend of 20cps fully franked
- Payout ratio of 95% aggregated underlying NPAT

Balance Sheet:

- Strong balance sheet with healthy cash position
- Net cash improving as debt reducing
- Comfortable gearing ratios provide platform for growth

5 TRUST P&L AND BALANCE SHEET

Aurora Trust – P&L

Aurora Trust: analysis of current year statutory results

P&L Highlights (A$m)		Aurora 1H16
Revenue		**2.2**
Gain on sale of investments		**10.2**
Share of earnings from boutiques		**12.2**
Cash Expenses		
Employee expenses	5.0	
Travel expenses	0.8	
Interest expense	4.2	
Audit and tax advisory	1.5	
Legal expenses	0.8	
Occupancy expenses	0.7	
Transaction costs (RARE, Aperio, SCI)	2.0	
Prepayment penalty on Medley debt/loan origination costs write-off	2.3	
Other expenses	2.0	(19.3)
Non Cash Expenses		
Amortisation of identifiable intangible assets	1.3	
Impairment of investments	20.8	
Depreciation	0.1	
Fair value adjustments	2.1	(24.3)
Net (Loss) Before Tax		**(19.0)**
Income tax expense		1.5
Net (Loss) after tax		**(20.5)**
PAC Share of Net (Loss) after tax		**(13.3)**

- Revenue includes service fee revenue
- Prior year comparisons omitted due to merger distortions
- Gain on sale of investments include gain on sale of RARE
- Share of earnings from boutiques include Aether and Seizert. It also includes Aurora share of transaction costs incurred by RARE for the sale
- Employee expenses exclude any uncommitted bonus accruals at half year as per statutory reporting requirement
- Interest expense reflects Medley interest on loan which was paid in full on Jan 4, 2016
- Impairment of Seizert, Nereus, Tamro, TIS, GVI, and Orion

Aurora Trust – Underlying P&L

Significant non-recurring items

Aurora P&L (A$m)	1H16
Aurora (Loss) After Tax	**(20.5)**
Less:	
Gain on sale of investment (RARE)	(10.2)
Add:	
Transaction costs at RARE	5.6
Transaction costs at Aurora for RARE	1.5
Amortisation of identifiable intangibles (non-cash)	1.3
Fair value adjustments (non-cash)	2.1
Prepayment penalty on Medley debt/loan origination costs write-off	2.3
Impairment of investments (non-cash)	20.8
Transaction costs for Aperio and SCI	0.5
Employee redundancies	0.1
Aurora Underlying Profit After Tax	**3.5**

- Gain on sale for 1H16 reflects profit on sale of RARE
- Transaction costs incurred at RARE corporate level as well as incurred by Aurora has been separated as one-offs
- Impairment of investments including Seizert, Nereus, Tamro, TIS, GVI and Orion

Aurora Trust – Balance Sheet

Strength provides opportunities

Balance Sheet – Aurora Trust (A$m)		1H16
Current Assets		157.0
Non-Current Assets		
Investments in Associates	131.8	
Goodwill and other Intangibles	256.7	
Other NCA	68.0	456.5
Total Assets		**613.5**
Current Liabilities		96.1
Non-Current Liabilities		
Debt, Vendor Finance, Promissory Notes	25.5	
Contingent Liabilities	51.7	77.2
Total Liabilities		**173.3**
Net Assets		**440.2**

- **$125m of surplus cash available at 31 December 2015, providing balance sheet flexibility**
- Subsequent to 31 December, repayment of Medley of debt $62m and investment in Aperio of $21m
- PAC owned 65% of Aurora trust as at 31 December 2015
- Carrying values marked to market as at merger completion and have been tested and/or adjusted for impairment
- Other Intangibles subject to amortisation going forward of $2.4m for FY16
- Contingent Liabilities are earn out arrangement related to merger consideration

Details of Non-Current Liabilities

Name	Amount (Face Value)	Maturity	Notes
Redeemable Preference Units	US$15m	May ’16	Unit holder debt
Redeemable Preference Units	US$42m	Nov ’16	Unit holder debt, contingent on value of certain NL boutiques achieving profit targets by 2021. Conditional refinance obligation in Nov ’16. Relevant boutiques include EAM, Blackcrane, Nereus, Raven and NLAA offset against the performance of ROC and Aubrey
Promissory Notes	US$17.5m	50% Nov ‘18 50% Nov ’19	Vendor finance related to Seizert acquisition
External Debt Facility	US$46m	Nov ’19	Held within Midco – repaid in full post 31 December

Financial Results of Boutiques

Illustrative aggregation of portfolio P&L if all boutiques were 100% owned

Aggregate P&L for Boutiques (A$m)*	1H16	Pro-forma 1H15
Year end FUM ($bn)*	30.9	35.6
Average Net Margin (%)*	54 bpts	51 bpts
Management Fees^	82.2	83.1
Other income	2.1	2.6
Gross Profit	84.3	85.7
Employee expenses	21.6	24.0
Other expenses	21.9	19.2
NPBT	40.8	42.5
Income Tax	4.4	5.1
NPAT	**36.4**	**37.4**
Aurora Share of After Tax Profit	**12.2**	**20.7**

** Average net margin and year end FUM excludes Trilogy and WHV*
^ Management fees exclude Performance fees

- 1H15 is shown as pro-forma full 6 months to Dec 2014 while the merger was completed in November 2014
- Excludes Aurora management and operating costs and interest expense
- Employee and other expenses exclude RARE transaction costs and employee retention bonuses
- Aurora share of profit after tax reflects actual result reflecting change of ownership in RARE as of 21 October. Aurora share of after tax profit included pre-tax earnings from RARE up until merger close (1H15)
- Aurora 1H16 share of profit reflects $5.6m of transaction costs (Aurora share) incurred at RARE

6 STRATEGY

Strategy

Management are confident PAC's strategy, scale and diversity will support growth into the future and generate good, long-term shareholder returns

CONSOLIDATION *Preserving the Core*	**ACCELERATION** *Stimulating Progress*	**TRANSFORMATION** *Creative Partnerships*
☐ Continue to simplify portfolio and structure ☐ Finish management consolidation by year end ☐ Continued improvements on reporting	☐ Organic growth in portfolio ☐ Add new affiliates from strong pipeline	☐ Continue to diversify ☐ Seek opportunities for evolving market

- Primary goal is to enhance earnings growth and resilience: diversification into non-active equity and private capital strategies
- Two broad targeted investment opportunities – 1) profitable businesses with strong growth prospects; 2) early stage, high risk opportunities as relatively 'inexpensive' options
- Look to drive both acquisition and organic growth

Investment/Divestment Philosophy

- Generally ultra-long-term holders of assets (“permanent”)
- Seek to make two types of investments:
  - Core holdings in larger strategic partnerships
  - Smaller capital commitments to highly scalable opportunities
- Will from time-to-time divest:
  - If we see fundamental risks to business/portfolio that cannot be managed
  - Maintain alignment with management at all costs
- Should be judged on full cycle of ownership of these assets
  - If we can replicate what has happened with RARE, this is a very valuable business

Targeted Opportunities

SUNRISE

- International /global/emerging markets equities
- Liquid alternatives
- Private Capital (equity, debt, real estate)
- Real assets
- Liability Driven Investing
- Smart / exotic betas
- Specialty fixed income
- Passive equity
- ESG
- Multi-Asset portfolios / Target Date funds
- ETFs, ETMFs & Managed ETFs

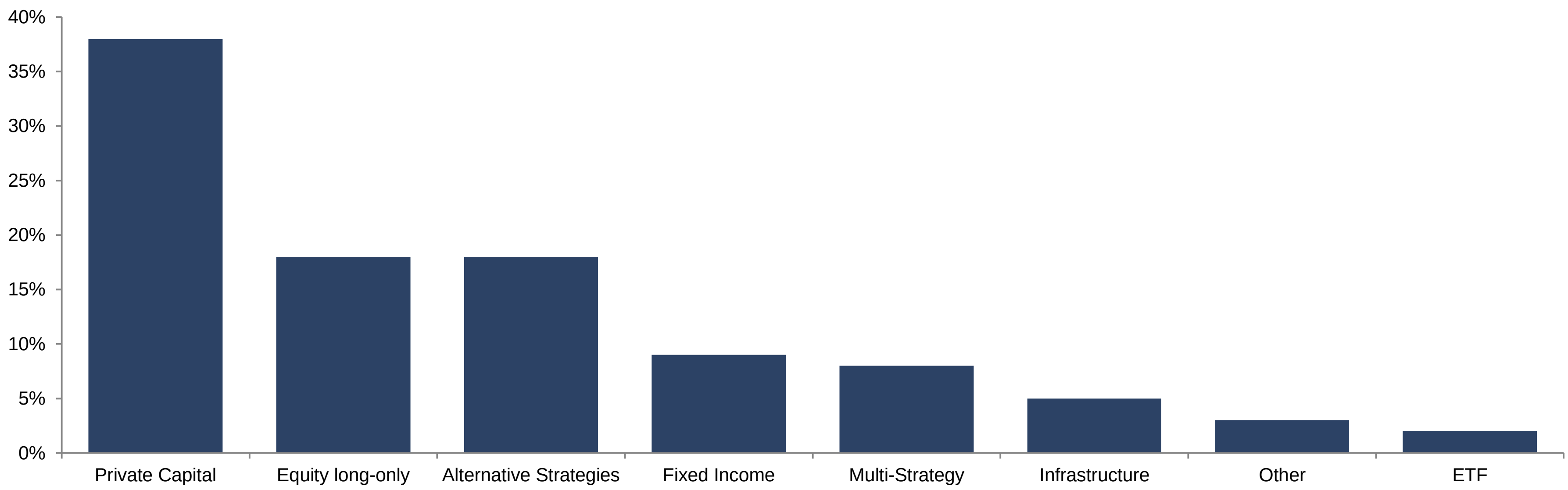
SUNSET

- Domestic equities, particularly large cap
- Defined benefit plans
- Traditional hedge fund of funds
- Traditional mutual funds (without 401(k) exposure)
- Style box asset allocation

Deal Pipeline

- For CY2015, the Investment team sourced more than 160 opportunities in 16 countries, of which approximately:
  - 58 moved through to intensive due diligence;
  - 30 added to current prospect list;
  - 7 offered term sheets

Asset Class of Investment Opportunities



Partnership Proposition

- Enduring partnerships with asset managers to enhance growth and enterprise value
  - Creating **flexible partnership structures** establishing **alignment** with boutiques
  - **Long-term partners** with permanent capital
  - **Actively growing boutiques** through various global distribution strategies
  - **Boutiques remain investment centric** to sustain a long-term investment culture
  - **Deep experience** in business building to provide strategic insights and guidance
- Pacific Current is institutionally well-regarded and continues to partner with specialised investment talent across multiple geographies and asset classes
- Poised for success with a proven leadership team focused on growing Pacific Current by diligently and strategically building our underlying boutiques

7 OUTLOOK

Outlook

The business has started FY16 in a position of strength

- Early 2H16 successes:
  - Completion of Aperio investment
  - SCI partners with Santander UK for hedge fund accelerator strategy
  - Repayment of third party debt of US$45.2m
  - Official launch of new brand platform, enhanced reporting and shareholder communication
- Financial guidance reiterated:
  - Debt repayment and earnings contribution from Aperio to generate run-rate earnings of $5.23m for a six month period
  - Approximately A$13.5m tax payable on the upfront sales proceeds of RARE: crystallised FY16 and payable in FY17

Summary

A global leading, diversified and scalable business with growth momentum

- Have delivered on plan to repay debt, redeploy RARE proceeds, and find synergies
- Well diversified for volatile markets
- Poised for success with a proven leadership team focused on growing Pacific Current by diligently and strategically building underlying boutiques
- Continuing strong business momentum from many areas in the portfolio
- Significantly improved access to global clients and deal flow
- Well positioned with a strong balance sheet

Q&A