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ASX RELEASE

2009 Full Year Earnings

- Earnings before interest, tax, depreciation & amortisation (**EBITDA**) of $0.4 million for the year
- Pre-tax operating result of $2.0 million[1]
- Net profit after tax of $3.1 million (includes the benefit of tax timing differences of $2.7 million)
- Assets under Management (**AUM**) of approximately $460 million at 31 December 2009
- Continuing cost management initiatives
- No borrowings and a cash and investments balance of $20 million
- No dividend has been declared for the year to 31 December 2009

Everest Financial Group (EFG) recorded a full year EBITDA of $0.4 million. This includes one off expense items of approximately $0.9 million which relate to various cost management and restructuring initiatives. Excluding these items, and including interest income received, the underlying pre-tax operating result is $2.0 million.

The net profit after tax result of $3.1million reflects the benefit of tax timing differences from prior periods not previously booked as deferred assets.

The result reflects a significant reduction in AUM during the period. In addition, EFG has implemented significant cost management initiatives which have resulted in one-off costs during the period but resulting in cost savings going forward.

At year end, Everest has $20 million in cash and seed investments in funds and no borrowings on its balance sheet.

Summary of 2009 Financial Results

	Year ended 31 December 2009	**Year ended 31 December 2008**
	$ million	$ million
Net management fees	$8.1	$28.5
EBITDA	$0.4	$16.5
Pre-tax operating result	$2.0	$17.7
Net profit/(loss) after tax	$3.1	$(305.6)
Earnings per share	1.3 cents	(122.4) cents
AUM (at year end)	$460 million	$1.8 billion

[1] See Appendix One

First Half 2010 Outlook

Recognising that AUM has decreased, the business implemented a number of cost management initiatives that it expects to lead to operational savings in 2010 and beyond. As part of this internal review we have also sought to improve efficiencies within the business, consolidate where needed and have made several key hires across operations, investment and risk management, legal and compliance. The head count (full time equivalent) of the business reduced from 24 to 16 in the year.

Despite an improvement in global market sentiment, EFG continues to manage certain legacy issues associated with illiquidity of investments in a number of underlying funds. The team remains focused on working through these issues and delivering our investors the best outcome possible. We expect to provide ongoing returns of capital from these funds during the year.

In December 2009, a subsidiary of EFG was served with a claim by LJK Nominees Pty Limited (LJK) in relation to its investment in one of the underlying funds. A further draft amended statement of claim has since been received. We have not yet formed a view as to whether and to what extent such claims have any merit or any potential adverse impact on EFG. No date has been set for trial and discussions are progressing between the parties regarding the discovery process.

While a strong focus remains on managing costs, the business has also sought to lay the foundation for growth. In September 2009, EFG launched the Everest Credit Opportunities Fund (ECOF), which focuses on investing in a portfolio of leading investment managers, who will predominantly invest in distressed and value oriented investments within global credit markets. Whilst it is early days, performance to date in ECOF has been very pleasing with distressed credit markets continuing to provide solid returns despite the uncertainty in global equity markets. In 2010, we hope to broaden our marketing focus of this product and are planning to launch additional new funds where we see investment opportunities and investor interest.

Ends.

Appendix One: Results breakdown for EFG

	Year ended 31 December 2009 $ million	Year ended 31 December 2008 $ million
Net profit/(loss) after tax	**$3.1**	**($305.6)**
Exclude:		
Amortisation of intangibles	-	$2.2
Impairment of intangibles	-	$324.2
Equity settled share based expenses – employee option plan	($0.2)	$1.4
Tax expense – non-cash	($0.1)	($9.7)
Cash NPAT	**$2.9**	**$12.4**
Exclude:		
Tax expense – cash	($2.2)	$4.5
Depreciation	$0.3	$0.4
One-off expenses relating to cost management & restructuring	$0.9	$0.4
Pre-tax operating result	**$2.0**	**$17.7**
Include: one-off expenses relating to cost management & restructuring	($0.9)	($0.4)
Exclude: interest income	($0.6)	($0.8)
EBITDA	**$0.4**	**$16.5**

*may not add due to rounding

For further information please visit our website www.everest.com.au or contact:

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