

Wednesday, 24 August 2011

FULL YEAR RESULTS – 30 June 2011

Key points

- Total Funds Under Management (FUM) at 30 June 2011 was \$16.7 billion, up \$2.1 billion on the previous year (or 13.9%)
- Normalised NPAT down 4.5% year on year
- Final dividend of 20 cents and a full year dividend of 34 cents, fully franked (9.5% yield)
- The Company's balance sheet is ungeared and maintains a healthy position in liquid assets
- Appointment of Andrew McGill bringing a new perspective and positioning the company to aggressively pursue a wider range of opportunities
- Outstanding financial performance at RARE

Media Release

Treasury Group (ASX:TRG) today announced a consolidated profit after tax of \$10.00 million for the year ended 30 June 2011, down by 14% from \$11.67 million reported the previous year.

However the Group also reported that total Funds Under Management (FUM) at 30 June 2011 was \$16.7 billion, which is an increase of \$2.1 billion on the previous year (or 13.9%).

TRG Chief Executive Officer, Andrew McGill, said although the consolidated profit was down, growth in FUM and underlying aggregate earnings at Group boutiques were impressive in the context of volatile financial market conditions.

"TRG's normalised net profit after tax was marginally down, this was largely due to continuing investor caution impacting a number of managers," he said.

"A review of Treasury Group strategy is underway and I will be providing a further update at our AGM later in the year. Our multi-boutique strategy will remain at the core of Treasury Group's business however a strong balance sheet and the growth of existing boutiques provide financial capacity to consider a broad range of opportunities in future."

TRG also reported that investment performance during year was generally strong relative to benchmarks. Net new funds flow was strong during the year, with institutional flows increasing, particularly at RARE. However, retail investor confidence remains weak and net outflows were experienced at IML despite excellent performance and ratings upgrades.

Mr McGill said employee and other costs at Treasury Group were broadly flat and that the balance sheet remains strong with no debt.

Full ASX announcement and financial results follow.

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