

1H13 Results Investor Presentation

28 February 2013

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All numbers are as at **31 December 2012** unless otherwise stated. Numbers may not add due to rounding.

Agenda



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1H13 Results – Key highlights



Solid result highlighting synergies achieved & business resilience

- Achieved underlying earnings growth in weak, but improving operating conditions – business remains resilient
- Successfully integrated the Snowball/Shadforth businesses – synergies fully achieved and continue to assist operational performance
- Announced strategic acquisition, Lachlan Partners (*LP*), to be Underlying EPS accretive to the Group in FY14
- Investing in growth and business upgrade initiatives during the half year and also realising benefits from recent tuck-in acquisitions
- Comparative period Reported NPAT and EPS includes impact of the Rights to Future Income (*RTFI*) legislation, not present in 1H13²
- Interim fully franked dividend of 1.20c per share determined, up 20% on pcp, representing a payout ratio of 56% of Underlying NPAT

Results	1H13	△1H12
Net Operating Revenue ¹	\$63.5m	↑ 10%
Operating EBITDA	\$22.8m	↑ 14%
Underlying NPAT	\$15.5m	↑ 14%
Reported NPAT ²	\$10.6m	↓ 22%
Reported NPAT excl. RTFI ²	\$10.6m	↑ 6%
Underlying EPS	2.13c	↑ 14%
Reported EPS ³	1.46c	↓ 22%
Reported EPS excl. RTFI ³	1.46c	↑ 6%
DPS (fully franked)	1.20c	↑ 20%
FUA	\$11.6b	↑ 8%
FUAdmin	\$10.0b	↑ 9%
FUM	\$4.7b	↑ 16%

Strategic initiatives – Update



Synergies realised – investing in growth & maintaining strategic M&A focus

✓ **\$10.5m of synergies achieved**

- Remaining expected synergies realised in 1H13 – fully achieved upgraded synergies of \$10.5m per annum from the merger (annualised and gross of integration costs in FY13)
- Further integration benefits (e.g. client migration to better offers) to be realised in FY14+, part of business as usual

✓ **Investing in growth initiatives**

- Soft launched FinHQ enhanced reporting and direct online broking to select clients in 1H13
- Actuate Alliance Services – third party offer to boutique dealer groups and independent advisers expected to be launched in 2H13
- Continued development of Mosaic Portfolio Advisers and appointed CIO in January 2013

✓ **Lachlan Partners**

- Announced strategic acquisition of Lachlan Partners on 22 February – effective 1 March 2013
- Highly complementary and strategically aligned integrated accounting, tax, business advisory, SMSF and financial advice group, servicing family office, HNW and private company clients
- FY12 Normalised Operating EBITDA of \$4.2m

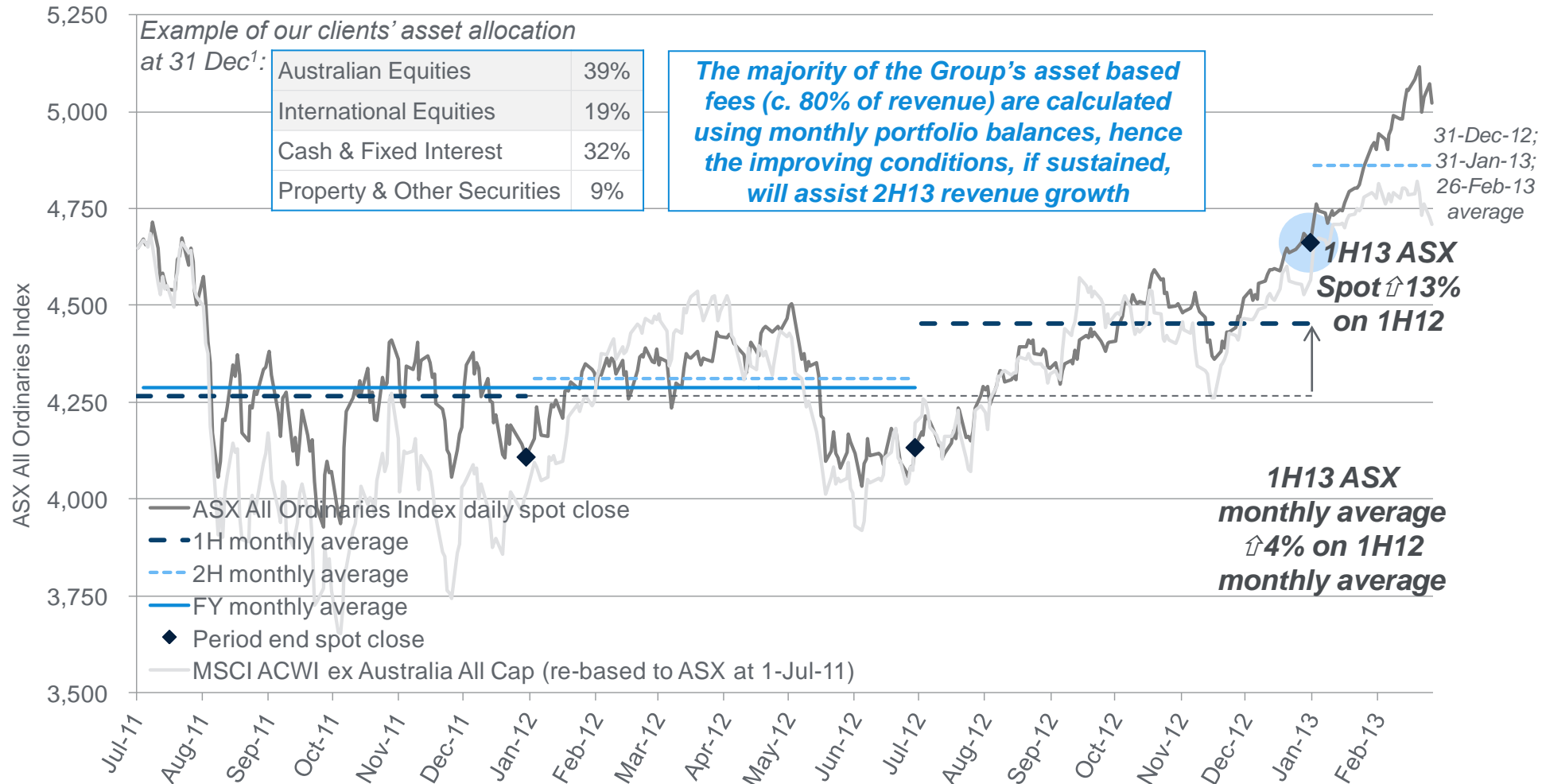
WHK Group

- Non-binding indicative merger proposal delivered – awaiting WHK's response
- Remains conditional and incomplete and subject to due diligence, and may not eventuate
- Merits of accounting and financial advice convergence strategy clear to SFGA – executing on this strategy with Lachlan Partners and other recent acquisitions
- Would create a merged entity with a market capitalisation of \$700m+¹

Market conditions



Performance of ASX All Ordinaries – average 1H13 ↑4% compared to 1H12 average



1. Using actual asset allocation data for total BT FUAdmin as at 31 December 2012.

GROUP OVERVIEW

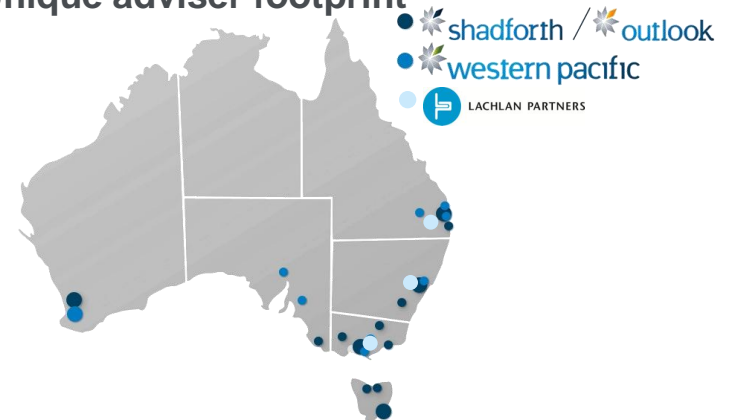
Group overview



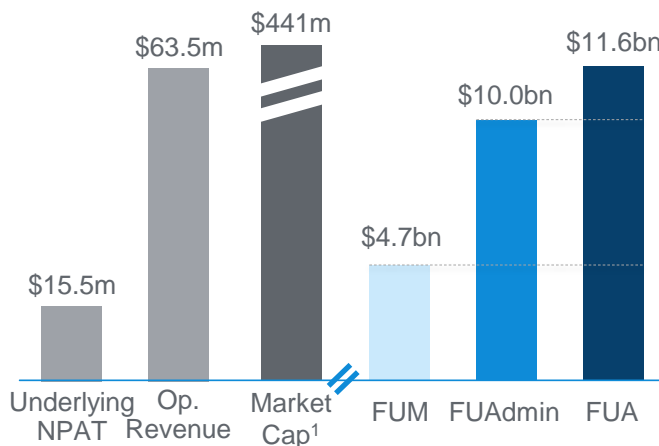
A unique, quality financial advice & wealth management firm

- Quality, professional, HNW and complementary financial advice business models – fee for service
- Integrated advice implementation services across the client value chain (see “1H13 Revenue by service” in below chart)
- Significant scale, footprint and industry presence
- Experienced management team, with strong transaction execution and integration credentials
- Aligned interests of management, advisers and staff with shareholders

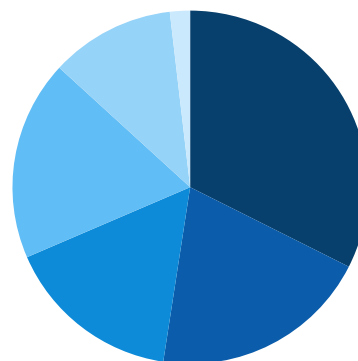
Unique adviser footprint



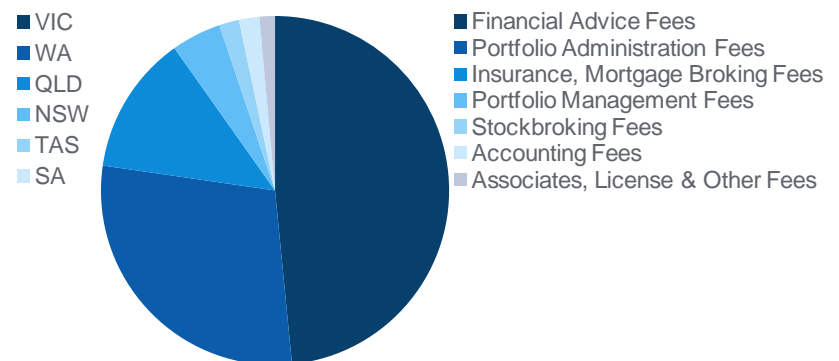
1H13 Key metrics



1H13 Revenue by state



1H13 Revenue by service



1. As at 27 February 2013.

Lachlan Partners joins SFGA



Enhancing the value proposition for family office, HNW & private company clients

- SFG Australia Limited has acquired 100% of **Lachlan Partners, an integrated accounting, tax, business advisory, SMSF and financial advice group** with 55 accountants and financial advisers in Melbourne, Sydney and Brisbane
- Further builds on the strategy behind recent alignment with family office and combined accounting and advice firms, Jeena Partners, and Life Financial Services and Spencers Accountants
- **Strongly strategically and culturally aligned with SFGA, sharing a client first and quality advice focus**
- SFGA believes that the services required from accountants and financial advisers as trusted advisers to HNW client families and private companies are converging, but that they remain distinct skill sets – this is the core strategic rationale underlying SFGA’s interest in acquiring further quality capabilities in these areas. The most obvious example is the delivery of SMSF services to clients, where SFGA will either work with the clients existing accountants or can now provide the full service
- **Key people have executed employment contracts with SFGA, and the Lachlan Partners brand will be maintained**
- Upfront consideration of \$23m, and a further \$9.2m in deferred consideration paid over 3 years and subject to performance hurdles. Consideration will be paid as a combination of cash and scrip. Given the strategic nature of the acquisition, expense synergies expected to be minimal
- Expect to **achieve revenue synergies** over time from the ability to enhance the LP wealth management value proposition, as well as expanding the services provided to both Shadforth and LP clients across accounting, financial advice and wealth management
- The acquisition is effective on 1 March 2013 and is expected to be **Underlying EPS accretive to SFGA shareholders in FY14**

Contemporary business model



Integrated advice & implementation services across the entire client value chain



Advice businesses

Professional Advice Model			Affiliate, Licensed Services	B2B Adviser Services
LACHLAN PARTNERS <ul style="list-style-type: none"> Private clients & coys 42 accountants & 13 financial advisers 	shadforth Financial Group <ul style="list-style-type: none"> Private client focus 109 employed advisers & accountants <i>17¹ offices nationally</i>	outlook Financial Solutions <ul style="list-style-type: none"> Small account balance & Corporate Solutions 7 Relationship Mgrs & 4 advisers 	western pacific Financial Advisers <i>16 practices & 34 advisers nationally</i>	actuate Advice Solutions <i>Adviser Services, Platforms & Funds</i>

Solutions & Support

'Best Advice': IP & Best Practice

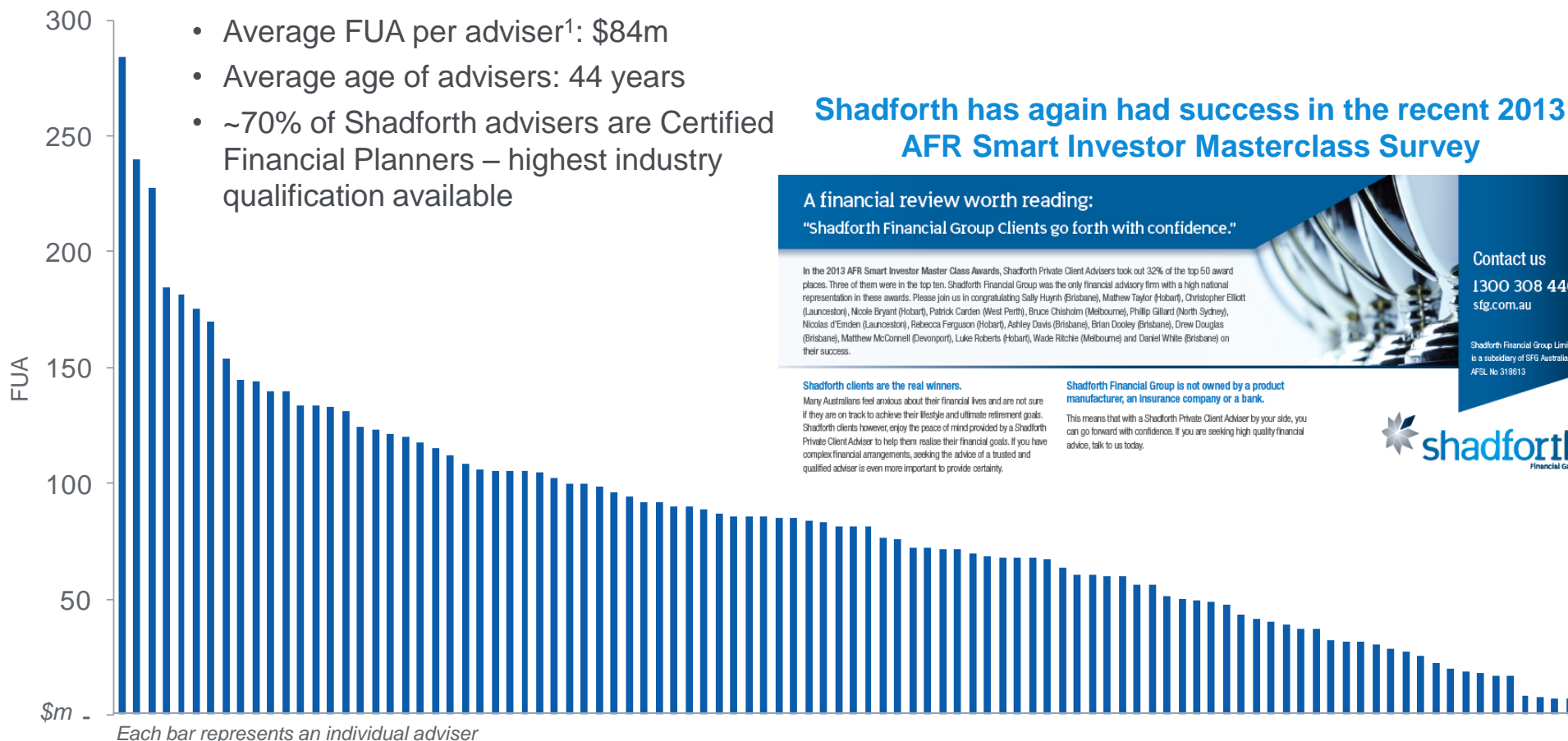
Implementation Solutions & Corporatised Support Services

mosaic Portfolio Advisers Portfolio Construction & Management	finHQ Financial Scoreboard Platform Services	shadforth Insurance Brokers Insurance Services	shadforth Financial Group Stockbroking	SFGC Corporate Services Corporate Services
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Quality financial advisers



Industry leading financial advisers across key metrics



Shadforth has again had success in the recent 2013 AFR Smart Investor Masterclass Survey

A financial review worth reading:
 "Shadforth Financial Group Clients go forth with confidence."

In the 2013 AFR Smart Investor Master Class Awards, Shadforth Private Client Advisers took out 32% of the top 50 award places. Three of them were in the top ten. Shadforth Financial Group was the only financial advisory firm with a high national representation in these awards. Please join us in congratulating Sally Huynh (Brisbane), Mathew Taylor (Hobart), Christopher Elliott (Launceston), Nicole Bryant (Hobart), Patrick Carden (West Perth), Bruce Chisholm (Melbourne), Phillip Gillard (North Sydney), Nicolas d'Emden (Launceston), Rebecca Ferguson (Hobart), Ashley Davis (Brisbane), Brian Dooley (Brisbane), Drew Douglas (Brisbane), Matthew McCormell (Devonport), Luke Roberts (Hobart), Wade Ritchie (Melbourne) and Daniel White (Brisbane) on their success.

Contact us
 1300 308 440
 sfg.com.au

Shadforth Financial Group Limited is a subsidiary of SFG Australia
 AFSL No 318613

Shadforth clients are the real winners.
 Many Australians feel anxious about their financial lives and are not sure if they are on track to achieve their lifestyle and ultimate retirement goals. Shadforth clients however, enjoy the peace of mind provided by a Shadforth Private Client Adviser to help them realize their financial goals. If you have complex financial arrangements, seeking the advice of a trusted and qualified adviser is even more important to provide certainty.

Shadforth Financial Group is not owned by a product manufacturer, an insurance company or a bank.
 This means that with a Shadforth Private Client Adviser by your side, you can go forward with confidence. If you are seeking high quality financial advice, talk to us today.



Illustrative FUA per Shadforth Private Client Adviser¹, Dec-12

1. As at 31 December 2012. This data (and the chart data) excludes those advisers who are primarily dedicated to attracting new clients and those with less than \$5m in FUA which they service.

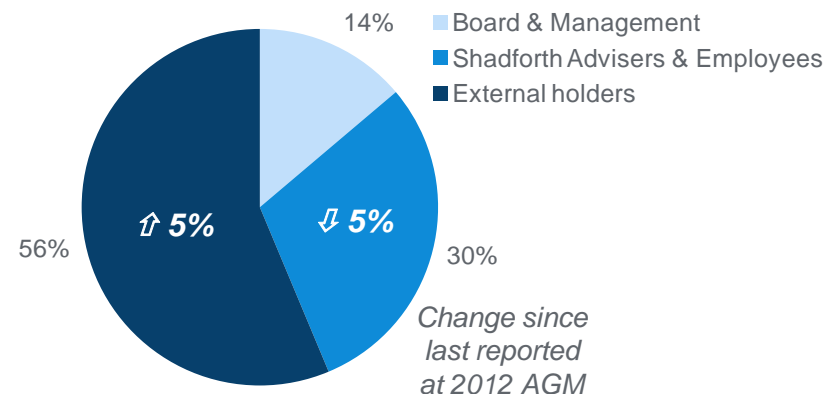
Share register update



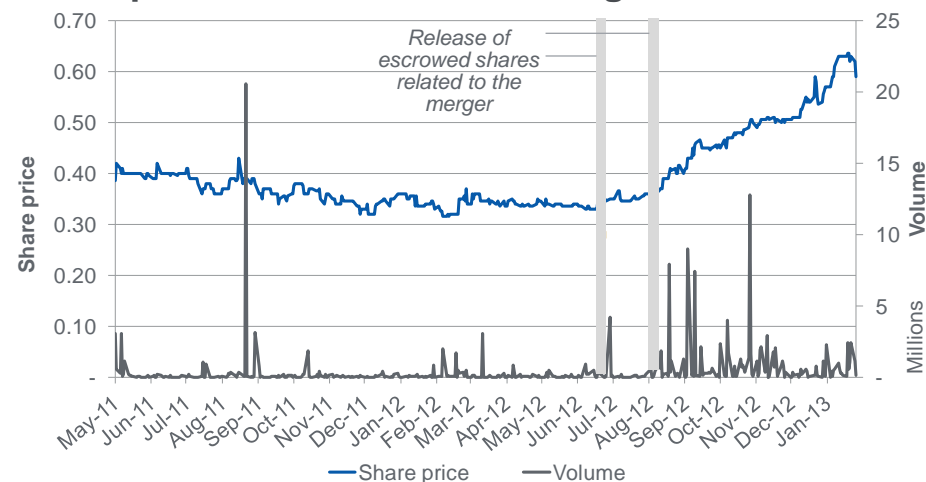
- Current market capitalisation equal to \$441m, assuming a share price of 60c²
- External holders (non-insiders) now estimated to hold 56% of the register, up from 51% as stated at the 2012 Annual General Meeting in November 2012³
- Trading volumes have improved since release in August 2012 of the final escrow parcel (related to the merger)
- Large number of SFGA shareholders are employees (hold 44% of shares outstanding), and the dealing in these shares is governed by the Company's Securities Trading Policy (available on the SFG Australia website) – trading window following this announcement to be open from 1 March 2013 to 12 April 2013³

Estimated breakdown of internal & external holders¹

(Internal holders being employees of the Company)



Share price & volumes since merger announcement⁴



1. As at 31 January 2013. Estimated from the Top 400 Shareholders, which account for 99.0% of total shares outstanding. 2. As at 27 February 2013. 3. Consistent with the Company's Securities Trading Policy, and remains at the discretion of the Company. 4. Snowball and Shadforth merger announced on 26 May 2011.

1H13 RESULTS – DETAILED SUMMARY

Financial Performance



\$m	1H13	1H12	Δ1H12
Net Operating Revenue ¹	63.5	57.8	10%
Net Operating Expenses ¹	(40.7)	(37.9)	8%
Operating EBITDA	22.8	19.9	14%
Underlying NPAT	15.5	13.6	14%
One-off items	(0.7)	(1.5)	(52%)
Acquisition costs	(1.6)	(0.9)	61%
Amortisation expense	(2.3)	(2.1)	10%
Impairment of associate	(0.9)	-	n/a
Notional funding cost	(0.3)	(0.5)	(29%)
Tax impact of above items	0.9	1.4	(37%)
Reported NPAT excl. RTFI	10.6	10.0	6%
RTFI impact	-	3.5	n/m
Reported NPAT	10.6	13.5	(22%)
Reported EPS (c)	1.46	1.86	(22%)
Reported EPS excl. RTFI (c)	1.46	1.38	6%
Underlying EPS (c)	2.13	1.87	14%
DPS (c)	1.20	1.00	20%

- 1H13 Operating EBITDA positively assisted by synergies from the Snowball/Shadforth merger, and acquisitions completed. Investment spend of \$2.4m expensed during 1H13, to execute key strategic initiatives and business upgrades
- Underlying NPAT considered a meaningful indicator of the underlying performance and cash generating capability of the Group
- Impairment of investment in an associate relates to a write down of investment in the 30% owned Duncan Dovico business, to better reflect carrying value
- Rights To Future Income (RTFI) legislation was reversed by the Government in 2H12. 1H12 Reported NPAT and EPS included a RTFI tax benefit of \$3.5m. Reported NPAT excl. RTFI and Reported EPS excl. RTFI shows the 'like for like' result
- One-off items primarily relate to the execution of synergies and some business re-structuring expenses, including redundancy expenses and occupancy consolidation and write-downs
- Acquisition costs related to acquisitions in the pipeline, executed and those investigated but discontinued
- Amortisation expense increased as a result of the finalisation of the purchase price allocation process related to new acquisitions in 2H12

1. Net Operating Revenue includes share of associates profit and Net Operating Revenue and Expenses differ from Statutory Reporting – see Appendix 4D.

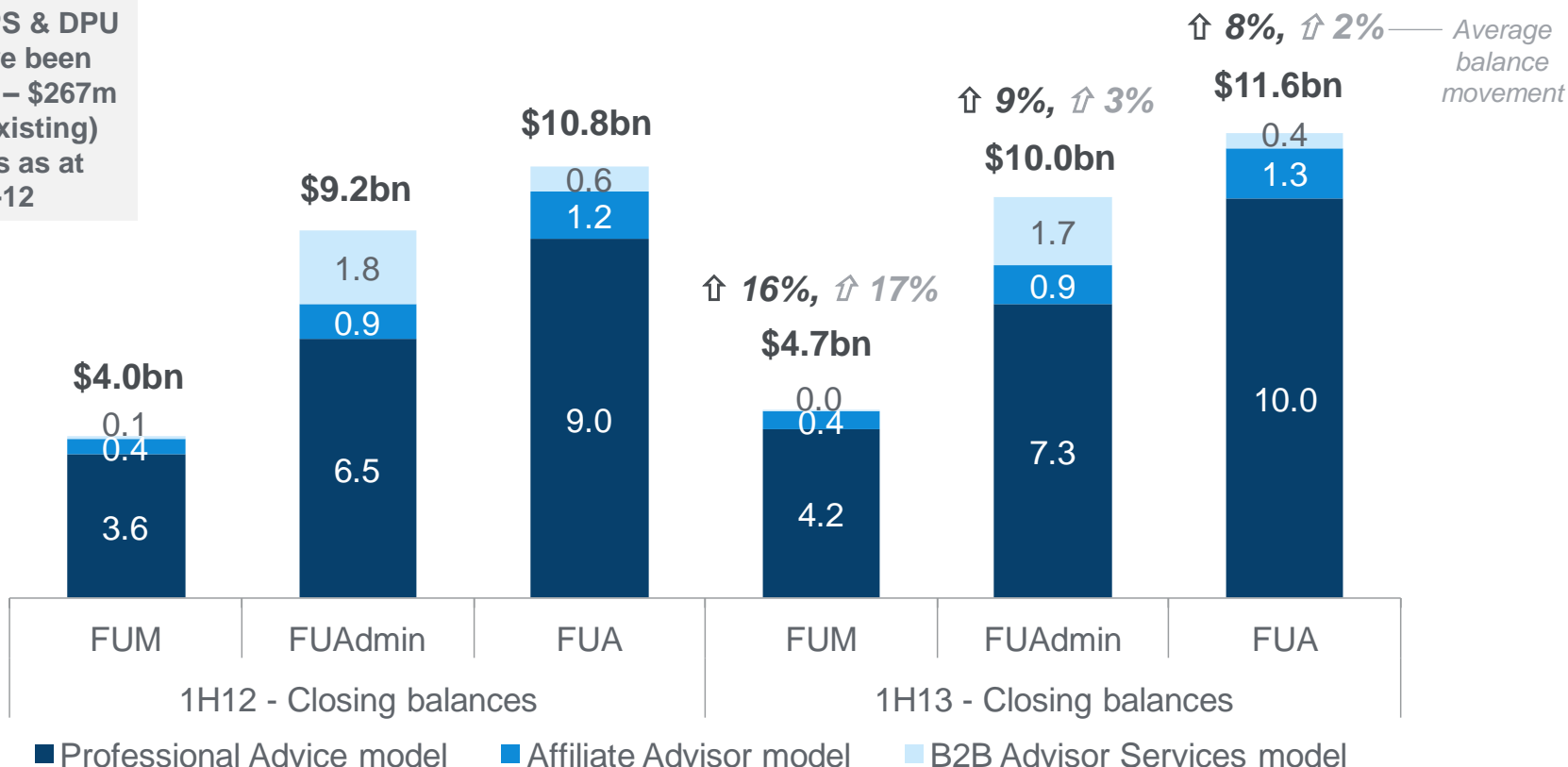
FUMA: Clients' funds summary



Improvement in equity values during 1H13 – spot close ASX All Ords ↑13% on 1H12

- Group incurred immaterial FUAdmin net outflows in 1H13¹
- 1H13 Fixed Interest Trust FUM of \$906m, up 25% on FY12, & Cash Plus Trust², reached \$65m in 1H13

Enhanced MPS & DPU Service have been well received – \$267m in (mostly existing) client funds as at 31-Dec-12



1. Excluding non-SFGA licensed Symetry FuAdmin. FUAdmin is quoted as difficult to accurately measure FUA inflows/outflows. 2. Launched in Nov-12.

Segment Net Operating Revenue



88% of the Group's Net Operating Revenue is generated directly or indirectly by the Professional Advice model, which incorporates Shadforth & Outlook

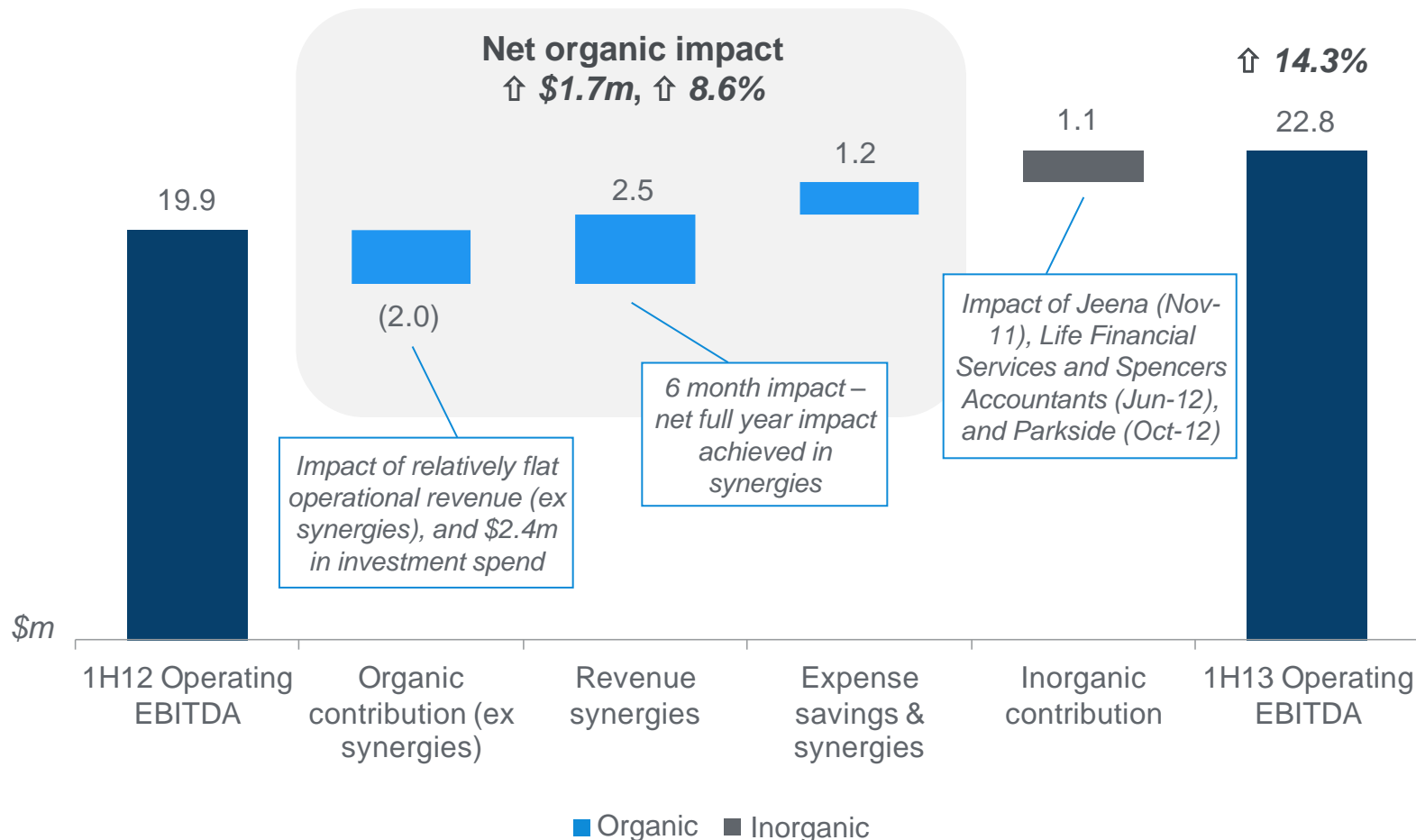
\$m	Professional Advice model	Affiliate Adviser model	B2B Adviser Services model	1H13 Total	% of Net Operating Revenue
Financial Advice Fees (<i>relates to FUA</i>)	29.7	1.1	-	30.8	48%
Accounting Fees	1.2	-	-	1.2	2%
Insurance, Mortgage Broking Fees	7.9	0.3	-	8.2	13%
Portfolio Administration Fees (<i>FUAdmin</i>)	13.2	2.4	2.8	18.3	29%
Portfolio Management Fees (<i>FUM</i>)	2.1	0.6	0.2	2.9	5%
Stockbroking Fees	1.2	-	-	1.2	2%
Associates, License & Other Fees	0.4	0.2	0.3	0.9	1%
Net Operating Revenue	55.7	4.5	3.3	63.5	100%
<i>% of Net Operating Revenue</i>	<i>88%</i>	<i>7%</i>	<i>5%</i>	<i>100%</i>	

Note: Accounting Fees in 1H12 were \$0.1m and were included in the "Other" category.

Operating EBITDA



Solid result in tough but improving conditions – increased investment spend over 1H13

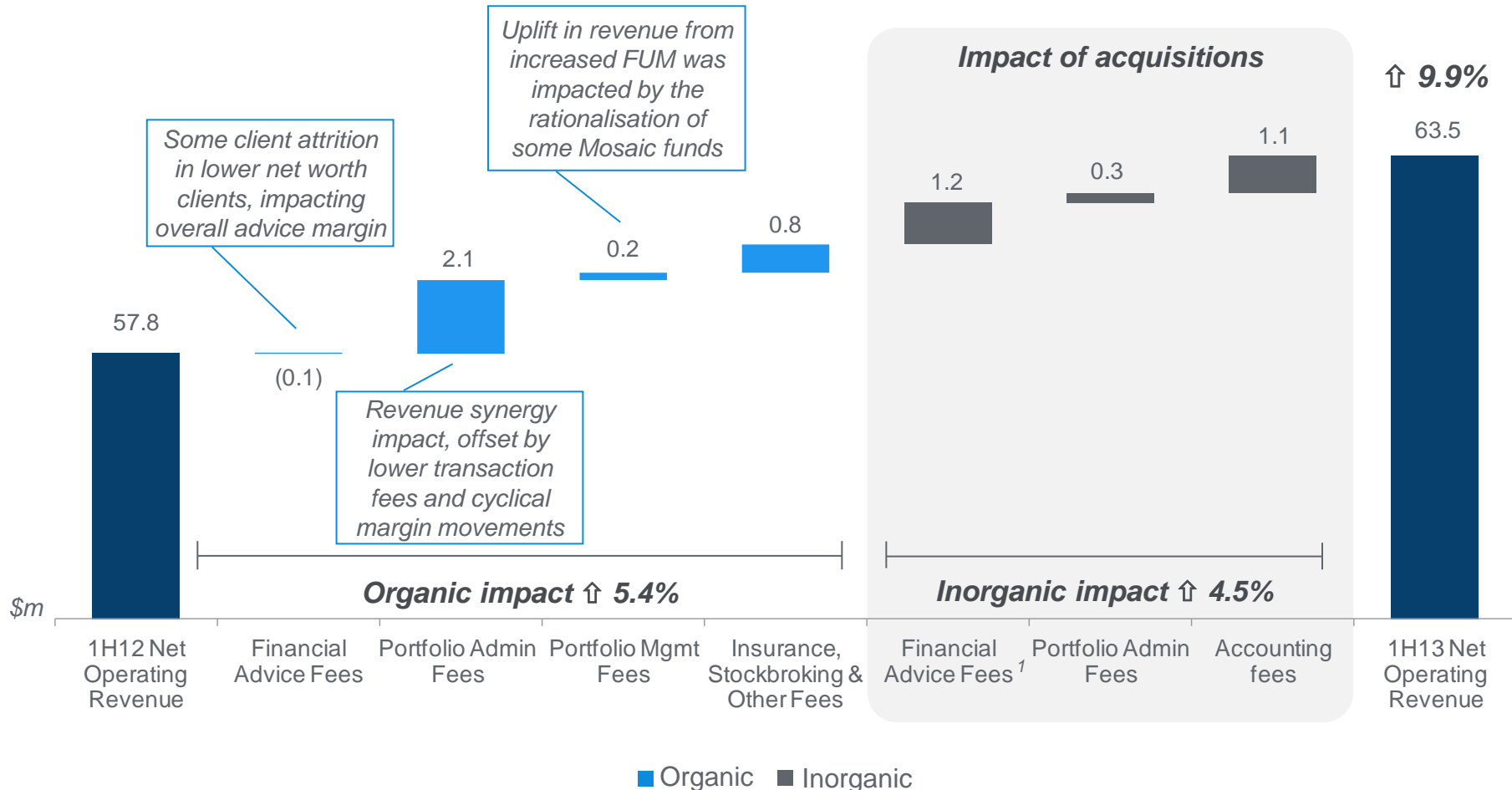


Numbers may not add due to rounding.

Net Operating Revenue



Revenue growth largely driven by achievement of synergies & acquisitions

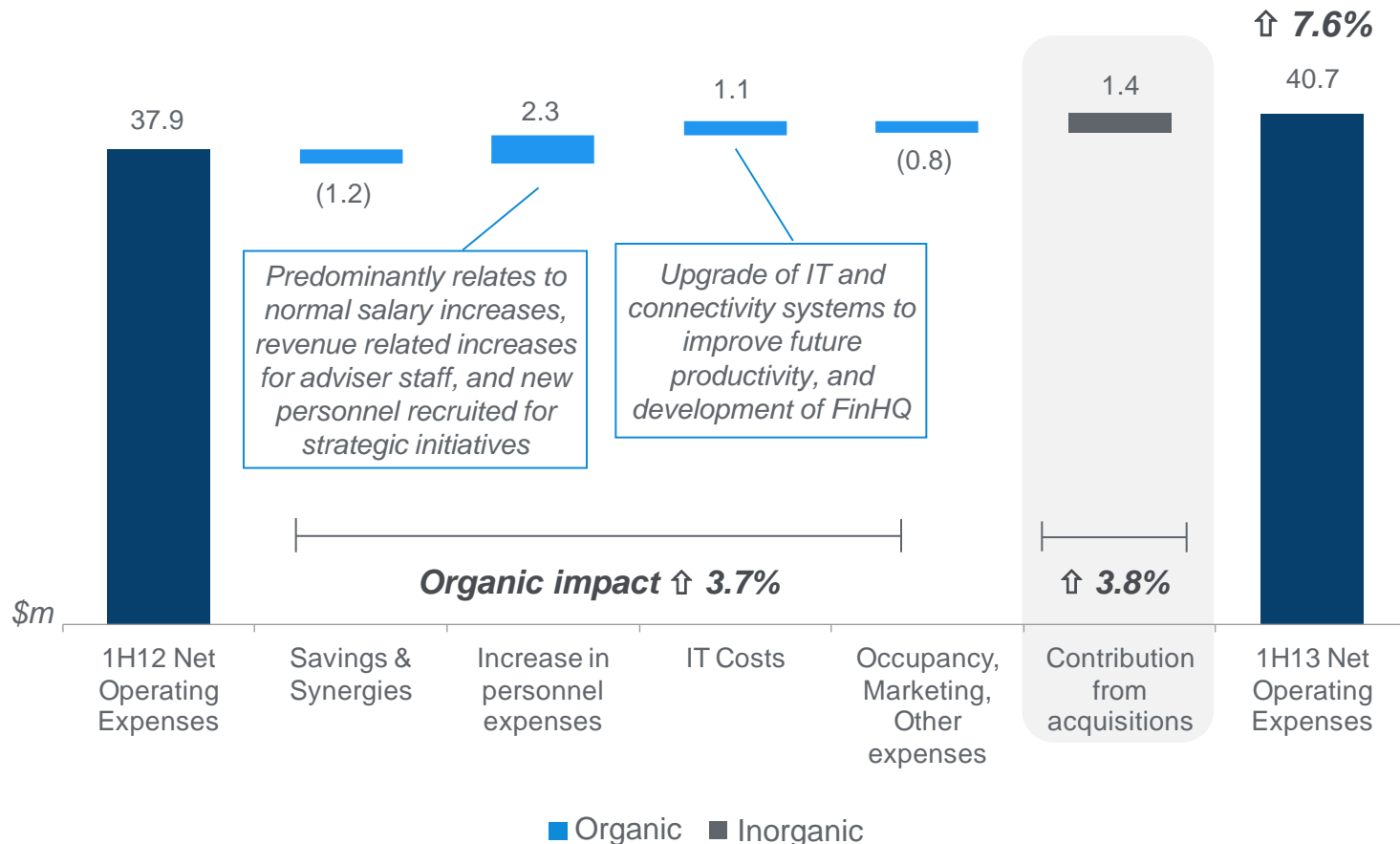


1. Includes \$0.2m of Insurance Fees. Numbers may not add due to rounding.

Net Operating Expenses



Tight operational cost control while investing in key growth initiatives



Investment spend

	1H13
IT Upgrade	\$1.1m
FinHQ, B2B, Client migration	\$1.2m
FoFA	\$0.1m
Total	\$2.4m

Indicative investment spend expected to be incurred in FY13:
\$5m – \$6m, including c. \$1m related to FoFA external costs

Underlying NPAT, EPS & DPS



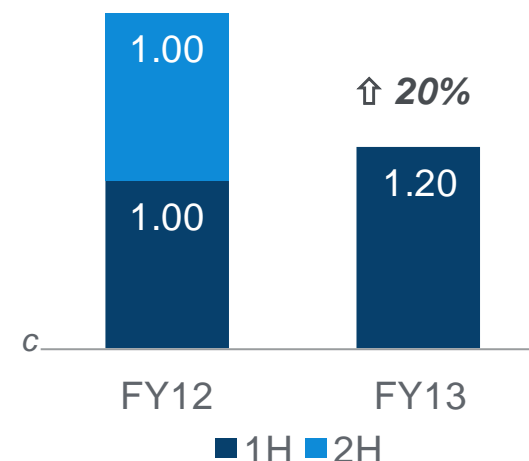
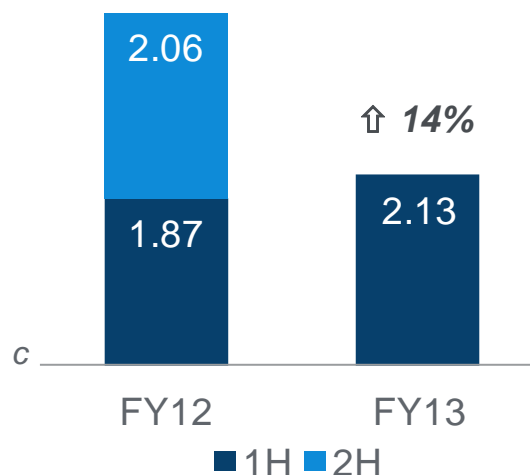
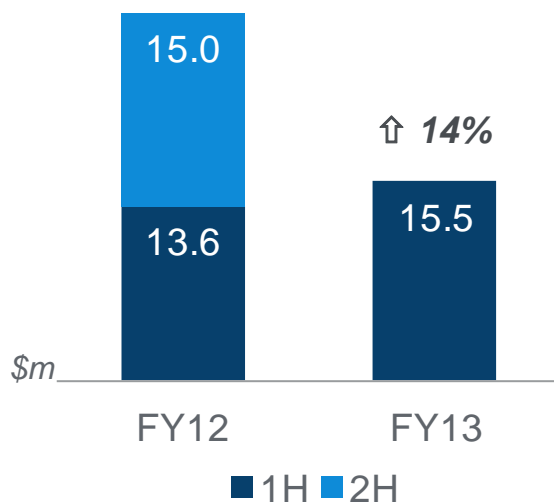
Fully franked interim dividend determined to be 1.20c per share, up 20% on pcp

- Underlying NPAT and EPS up 14% on pcp, and 3% on 2H12
- Payout ratio equal to 56% of Underlying NPAT, within payout ratio guidance of 50 – 70% of Underlying NPAT

Underlying NPAT

Underlying EPS

DPS (fully franked)



Cash Flows & Balance Sheet



Strong cash flows from operations: some drawdown of debt in 2H13 to fund acquisitions

\$m	
1H13 Opening cash balance	19.2
Operating cash flows (incl. one-offs, excl. tax)	20.1
Investing activities (incl. acquisitions)	(4.3)
Financing activities (incl. repayment of bank debt and dividends)	(2.4)
Tax paid	(6.5)
1H13 Closing cash balance	26.1

Balance Sheet, \$m	1H13
Cash	26.1 ¹
Other Current Assets	17.8
Total Assets	217.3
Current Liabilities	38.5 ¹
Total Liabilities	61.8
Net Assets	155.5

- Cash position of \$22.9m (net cash \$16.5m) as at 31 December (excluding cash held on trust for clients)
- Cash impact of \$2.4m from the reversal of the RTFI remains a liability – expected to be paid in 2H13
- Group has net cash balance sufficient to cover pending dividend of \$8.8m
- Bank debt utilised to fund upfront cash component of Lachlan Partners consideration
- Approximately \$20m of debt facility (post Lachlan Partners) currently remains available to fund deferred consideration payments related to past acquisitions and future M&A
- 2H13 estimated deferred acquisition payments equal to approximately \$2.2m

1. Including \$3.2m in cash held on trust for clients.

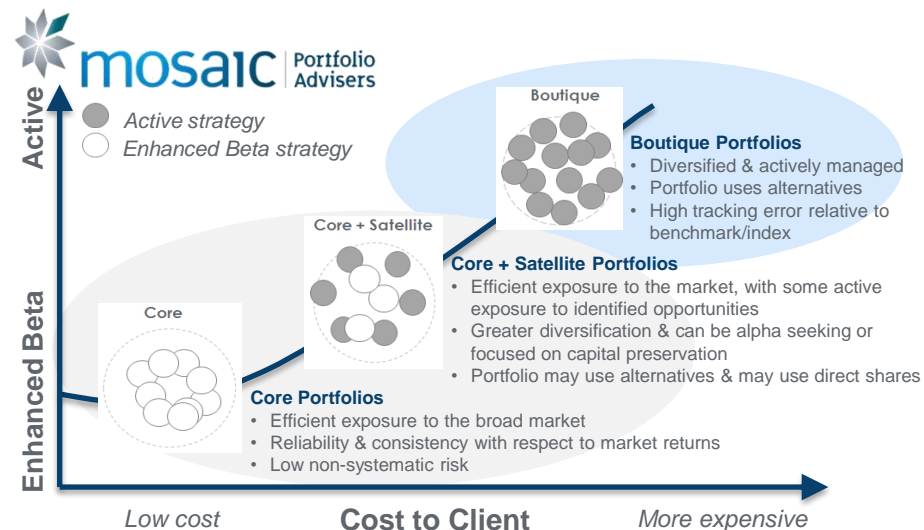
OPERATIONAL & STRATEGIC INITIATIVES UPDATE

Implementation Solutions – Mosaic



Mosaic has a core role in the delivery of best-of-breed portfolio solutions to our clients

- Mosaic is essentially an in-house asset consultant supported by leading external expertise and research. Mosaic delivers recommendations to the internal Investment Committees and manages the:
 - Group investment philosophy
 - Group strategic asset allocation, and
 - Construction of the group portfolios, including best-of-breed manager selection
- It has three main functions:
 1. Designs and implements fully executable core portfolio options (Diversified Funds), based on main client risk profiles
 2. Constructs and manages a spectrum of portfolios which may be implemented using sophisticated portfolio tools on behalf of advisers, such as the enhanced Managed Portfolio Service and Dynamic Portfolio Update Service (\$267m in client funds as at 31-Dec-12) – via the FinHQ platform
 3. Assists in the management of bespoke portfolios for clients of the Group’s advisers
- In addition, Mosaic:
 - creates “building block” fund solutions to support the group portfolios, giving clients access to ‘core options’ which are low cost, highly diversified, and research based, and separately, specialist alpha-seeking funds
 - performs the Responsible Entity fund accounting and administration functions for these funds, outsourcing some functions to institutional/scaled providers, reducing risk



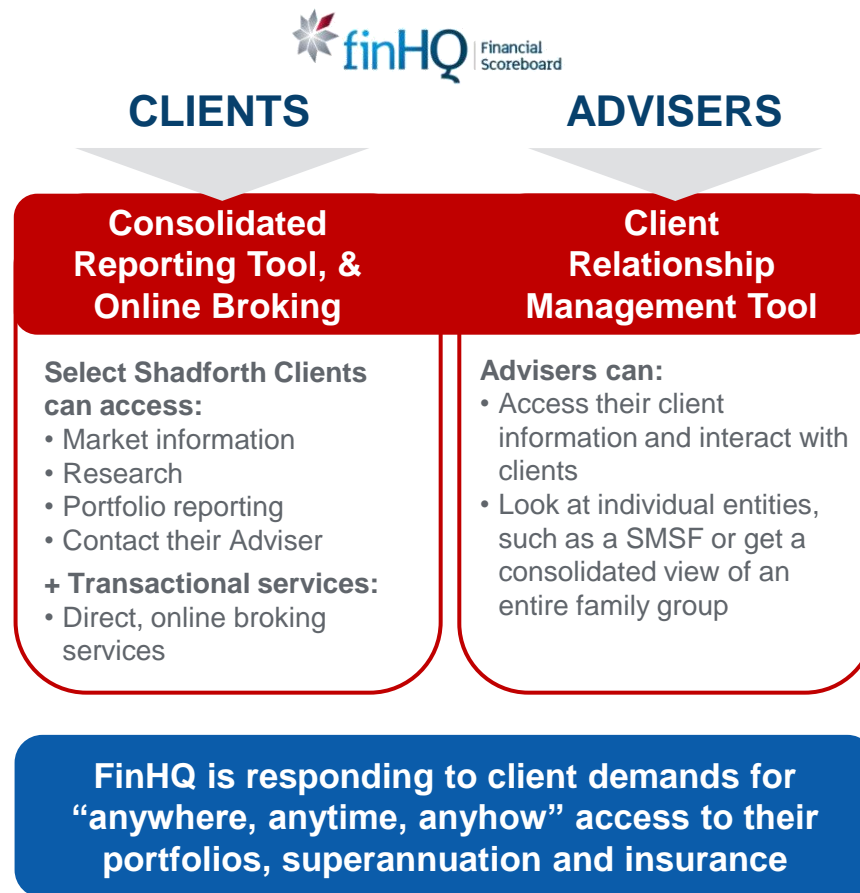
Mosaic Strategic Trusts:		31-Dec-12 FUM
Australian Equity		\$1.5bn
Fixed Interest		\$0.9bn
International Equity		\$0.8bn
Global Property		\$0.4bn
Cash Plus		\$0.1bn
Mosaic Specialist & Diversified Funds:		31-Dec-12 FUM
Specialist Funds		\$286m
Diversified Funds		\$74m

Implementation Solutions – FinHQ



FinHQ platform evolving to produce client reporting & enhanced access services to clients

- FinHQ is our administration business utilising our underlying, outsourced platforms to provide clients with:
 - Custody
 - Registry
 - Tax, Cash Flow and other record keeping
 - Portfolio reporting
 - Transaction services
- FinHQ is also an online portal for clients to access their platform, portfolio and other services, built within the Cloud technology and security. It was launched to select Shadforth clients in September 2012
- To date FinHQ has added consolidated reporting, direct broking transaction capability, and is expected to launch an integrated life insurance broking function in 2H13
- FinHQ is primarily leveraging existing scaled supplier's technology, with relatively modest development spend being incurred
- FinHQ clients and their advisers are supported by a dedicated telephone based client engagement team



Regulatory reforms update

Currently planning & implementing (known) changes to Government Legislation / Regulations – highly prescriptive



Expect cost of preparation & implementation of c. \$1m plus internal resources, with most incurred in 2H13¹

1. This is included in the indicative investment spend on slide 19.

Governance & People update



Governance & management structure changes

- As part of the Company's board succession planning, current Chairman Eric Dodd, having served as Chairman for 3 years, will step aside on the 30th of April 2013 to be succeeded by current Independent director Peter Promnitz. Mr Dodd will remain on the SFGA board as an Independent Director and will continue as Chairman of the board sub-committee which reviews the Company's potential transformational mergers and acquisitions. Peter Promnitz has recently retired from his role as Head of Asia Pacific at Mercer, and will now focus on his directorships, including as Chairman of SFG Australia from 30 April 2013
- Refined the roles of the Managing Director (Tony Fenning), Chief Operating Officer (John Cowan) and Chief Financial Officer (Linda Fox)
 - Managing Director will continue to manage the Executive Management Team, develop and lead Group Strategy, transformational M&A and oversee organic business development of Shadforth, Outlook and Lachlan Partners
 - Chief Operating Officer will be responsible for Western Pacific, Actuate Alliance Services, product and services businesses (FinHQ, Mosaic Portfolio Advisers and others) and tuck-in and bolt-on M&A
 - Chief Financial Officer will remain responsible for Finance, Corporate Services (and as Company Secretary, Company Secretariat) and Mosaic's back office (Fund Accounting and Administration)

New appointments

- Appointed Chief Investment Officer, Matthew Drennan to Mosaic Portfolio Advisers. Matthew has over 20 years experience, most recently with Zurich Financial Services Australia and previously Deutsche Asset Management
- Appointed Dan Powell to Head of Actuate and Western Pacific. Dan has 25 years experience, most recently with AMP as Director of Corporate & IFA Distribution
- Appointed Paul Cullen as Head of Cortex *Best Advice*. Paul has 20 years experience, most recently with Colonial First State as Head of Advice Delivery

WHK Group – Strategic rationale



A merger with shared board & management appears potentially compelling for SFGA & WHK shareholders

Unique, inimitable strategic alignment

- Recognising the growing convergence of accounting advisory, business services and financial advice, the two businesses are strategically aligned and highly complementary
- A merger will create Australia and New Zealand's definitive quality tax, accounting, SMSF, financial advice and wealth management business, serving a significant client base of private companies and successful individuals with more than \$17bn in funds under advice

Value creation

- Substantial synergies are expected to be generated by the merger, unlocking significant value for both sets of shareholders in addition to existing growth opportunities. There is potential for a market re-rating to reflect the scale of the \$700m+ market capitalisation business, increased liquidity and potential ASX 200 Index inclusion

Leading market position

- The merged group would be the only business of its type that has significant scale and diversity across a broad and deep range of services, and will be clearly differentiated from competitors through its client centric service offering, geographic footprint and access to capital markets

Client Benefits

- Clients will benefit from the strength of the combined team of skilled practitioners, supported by the broader and deeper range of services

Experienced team

- The merged group would have significantly increased breadth and depth of combined management, which will assist in the integration, support the existing businesses and help the group capitalise on future consolidation opportunities

WHK Group – Discussions update



- On 26 October 2012, SFGA confirmed it was in preliminary, conditional and confidential discussions with WHK Group Limited (ASX: WHG) about a *merger of equals*
- Following discussions and preliminary mutual due diligence to date, SFGA updated the WHK board with a non-binding indicative proposal in relation to the potential merger and SFGA and WHK accordingly provided an update to the market on 25 February 2013
- The key terms of the merger proposal include:
 - Shared board and management control of the merged group
 - Implementation via a 100% scrip for scrip merger. SFGA shareholders to receive WHK scrip
 - An indicative merger ratio equating to 0.503 WHK shares for each SFGA share, that would result in SFGA shareholders and WHK shareholders respectively owning 58% and 42% of the merged group
- The indicative merger ratio was determined by SFGA with a view to achieving a fair sharing of the perceived merger benefits, and unlocking value for both sets of shareholders¹
- The proposal is subject to a number of conditions, including receiving access to and completing further due diligence. SFGA has proposed a process and timetable to progress the proposal
- WHK has noted that its board intends to evaluate the proposal and form a view on how to proceed. SFGA is awaiting WHK's formal response and access to further due diligence

SFGA believes that a friendly scrip based merger with WHK, with a shared board and management team, potentially will deliver substantial synergies and other business benefits and unlock significant value for both sets of shareholders

1. It was determined by SFGA having regard to the up to date analyst consensus estimates prior to the release of the 1H13 Results announcements, and SFGA's preliminary synergy estimates, and does not take into account the recent Lachlan Partners acquisition by SFGA.

SUMMARY

Summary



Leading advice group

- **High quality, client focused** financial advice group – perceived key differentiators:
 - from larger players: **quality of advisers and deep client relationships**
 - from smaller players: **scale and capability across the value chain**

Delivering earnings growth

- **Solid 1H13 result:** Operating EBITDA of \$22.8m up 14% and Underlying NPAT of \$15.5m up 14%, driven by achievement of synergies and acquisitions completed
- **Upgraded synergies achieved:** \$10.5m annualised in FY13, gross of integration costs
- **Improving market conditions**, if sustained, will assist 2H13 revenue growth

Investing in our people & business

- Responding to changing client needs, **reinvesting in our client offers and experience**
- **Prepared for (known) government reforms** – awaiting detailed guidance to implement optimal solutions
- Continue to be recognised by the industry for our quality advisers (eg. 2013 Masterclass)

Merger & acquisition capacity

- **Track record** – management team has delivered on transforming & tuck-in transactions
- Continued pursuit of strategically attractive transactions
- **Cash capacity** – strong operating cash flows and further funding capacity for additional tuck-in acquisitions

APPENDIX

Definitions



Term	Definition
pcp	Previous corresponding period
FUA	Funds under Advice: funds balances upon which the Group derives a share of the advice fee
FUAdmin	Funds under Administration (FUAdmin): funds balances upon which the Group derives a share of the administration margin
FUM	Funds under Management: funds balances upon which the Group derives a share of the management margin
FUMA	The collective term for Funds under Advice, Administration and Management
MPS	Managed Portfolio Service – an MDA type client service
DPU	Dynamic Portfolio Update Service – similar to MPS, but a client must agree to recommended portfolio changes
Net Operating Revenue	Net Operating Revenue comprises Operating Revenue less cost of goods sold type expense items to derive Net Operating Revenue to the Group. Refer to the Appendix 4D as at 31 December 2012 lodged with the ASX for the reconciliation of Net Operating Revenue and Statutory Revenue
Net Operating Expenses	As above, excludes cost of goods sold type expense items
Operating EBITDA	Earnings before interest, tax, depreciation and amortisation, before one-off and non-operating items
NPAT	Net Profit After Tax
Underlying NPAT or UNPAT	Underlying Net Profit After Tax. Underlying NPAT excludes amortisation and one-off, non-operational items. SFGA considers this to be a meaningful indicator of the underlying performance and cash generating capability of the Group
RTFI	Rights to Future Income legislation

Historical Financial Performance

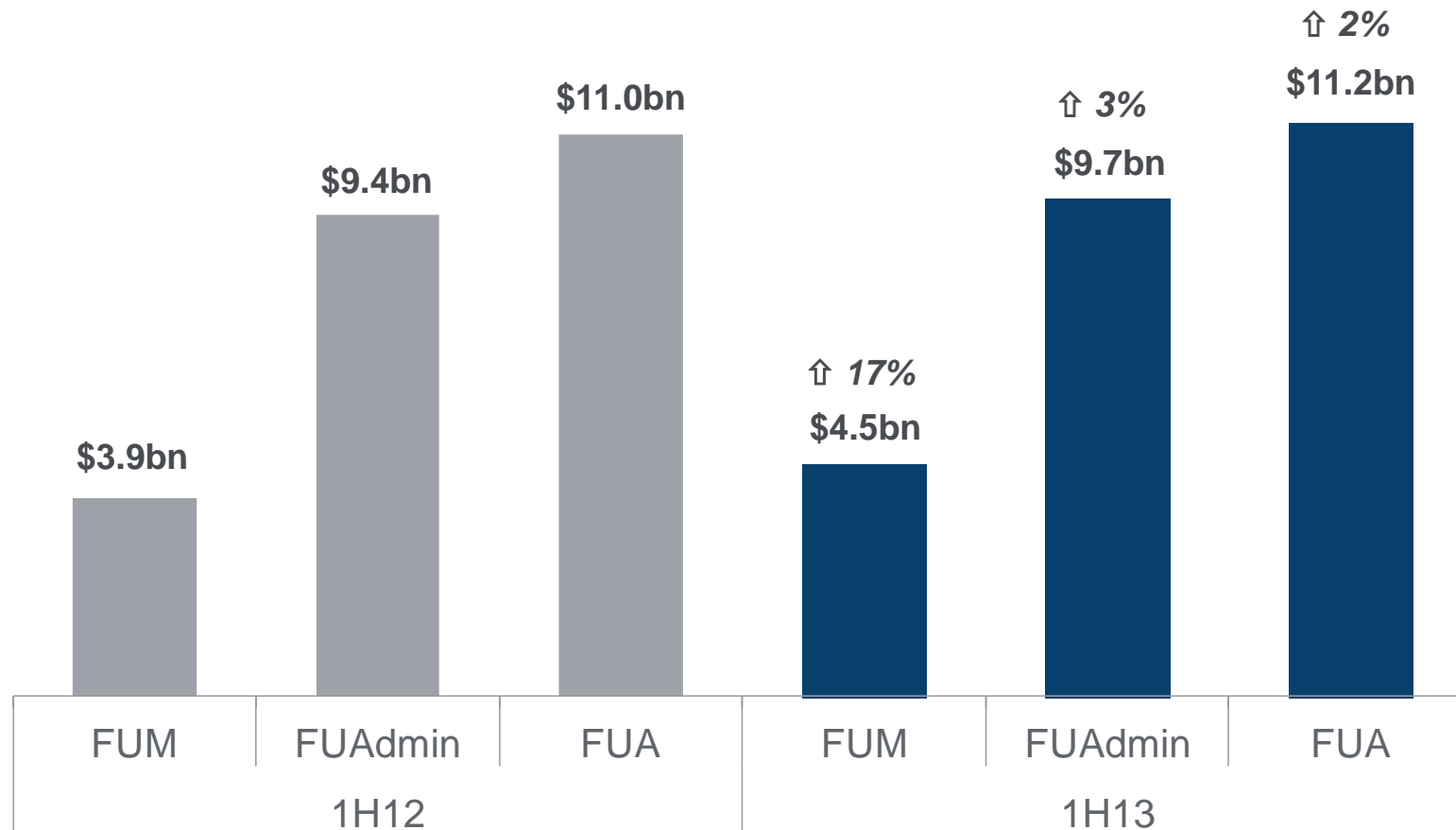


\$m	1H13	1H12	△1H12
Net Operating Revenue			
Financial Advice Fees	30.8	29.8	3%
Accounting Fees	1.2	0.1	841%
Insurance & Mortgage Broking Fees	8.2	7.5	9%
Portfolio Administration Fees	18.3	15.9	15%
Portfolio Management Fees	2.9	2.7	8%
Stockbroking Fees	1.2	1.1	4%
Associates, License and Other fees	0.9	0.7	34%
Total Net Operating Revenue (incl. Associates)	63.5	57.8	10%
Net Operating Expenses			
Personnel expenses	(29.6)	(27.5)	8%
Occupancy expenses	(2.9)	(3.1)	(8%)
Advertising & marketing expenses	(0.5)	(0.3)	45%
Professional fees	(1.7)	(2.1)	(20%)
Travel & entertainment expenses	(0.6)	(0.7)	(18%)
IT & communications expenses	(2.9)	(1.4)	103%
Other expenses	(2.6)	(2.7)	(4%)
Total Net Operating Expenses	(40.7)	(37.9)	8%
Operating EBITDA	22.8	19.9	14%

Average FUMA balances



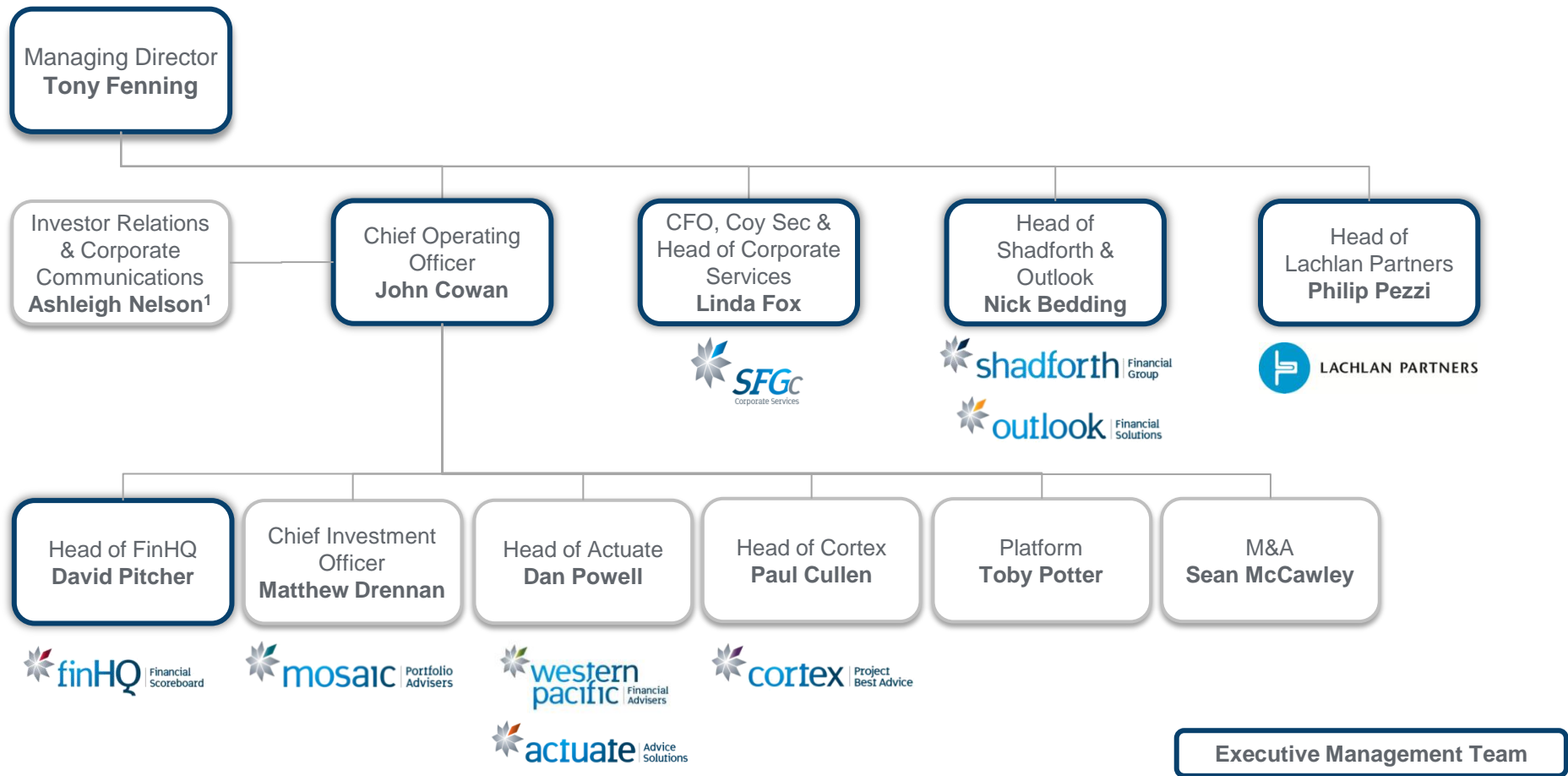
Average FUMA values are the balances which drive fee calculations



Management team structure update

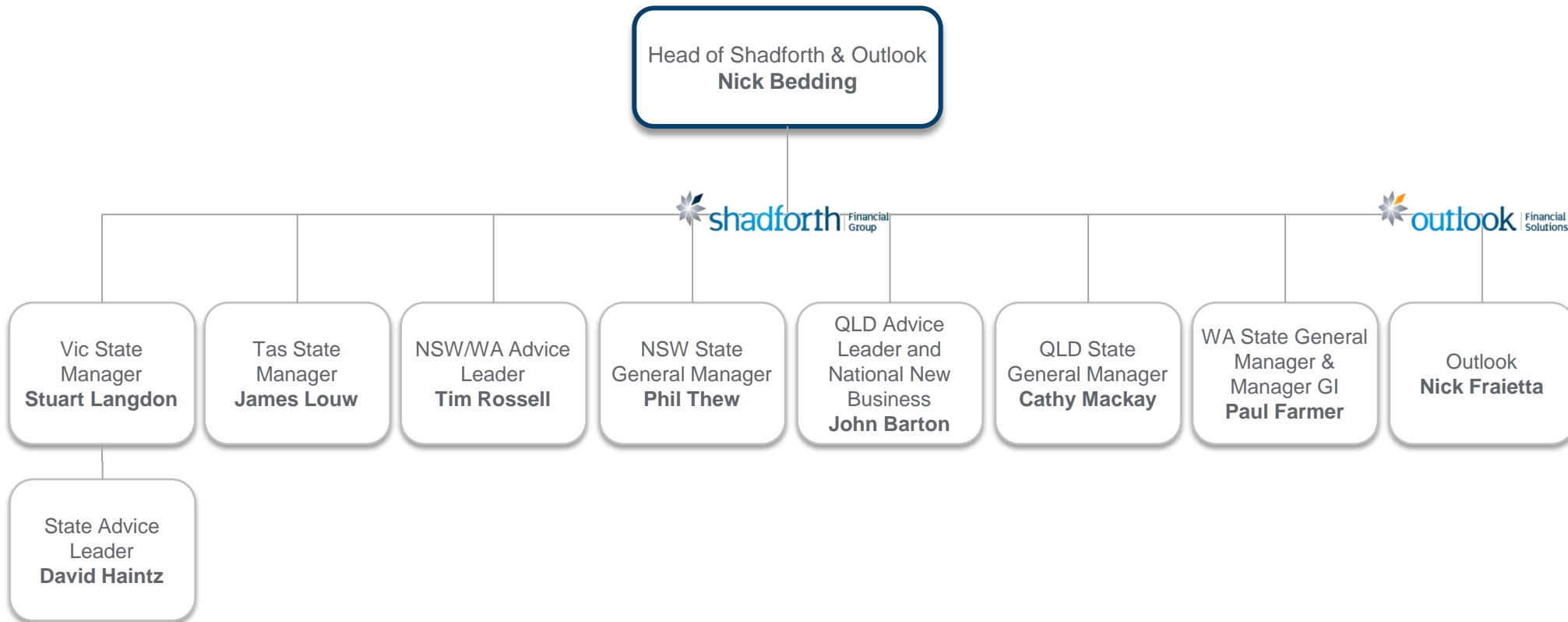


Following recent appointments, management structure re-shaped to enhance focus on key strategic initiatives & enhance succession options



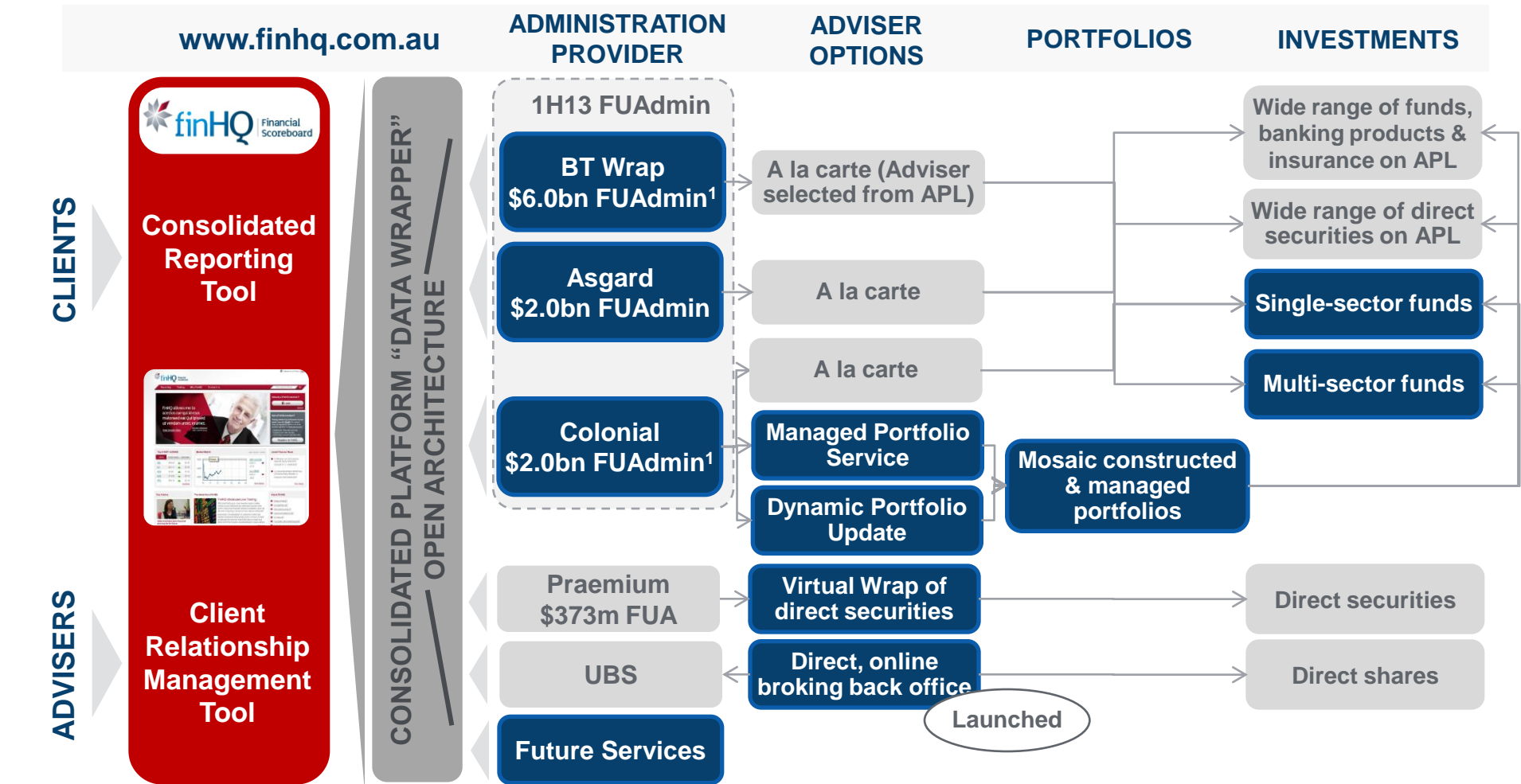
1. Until 14 March 2013 (currently recruiting for this role).

Advice Management Team Structure



On-line, best-of-breed platform offering

Platforms provide clients with custody, registry, tax, cash flow & other record keeping, reporting & transaction services; primarily leveraging existing scaled supplier's technology



■ SFGA earns a fee for packaging or construction services provided.

1. Includes \$815m of FUAdmin on BT and \$623m of FUAdmin on Colonial which relates to advice groups not licensed by SFGA.



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