



Austock Group Limited Annual General Meeting

26 October 2010

Presented by
Steven Gregg, Non-Executive Chairman
Paul Masi, Managing Director / CEO

Chairman's Address

Steven Gregg
Non-Executive Chairman

Managing Director's Address

Paul Masi
Managing Director / CEO

Contents

1. Core Focus Through 2010
2. Financial Overview
3. Segment Review
4. Strategy & Outlook

Core Focus Through 2010

Revitalised Board & Senior Leadership Team

- New directors include Steven Gregg (non-executive chairman) and Kevin Clarke (non-executive director). Tim Boyle stepping down from Board.
- Paul Masi appointed Chief Executive Officer
- Several senior hires across, predominantly, the Corporate & Securities businesses

Alignment of Corporate & Securities Businesses

- Alignment of Research, Equity Capital Markets, Corporate Finance and Institutional Sales
- Core common focus is being the leading investment and corporate adviser in the mid-cap and emerging company segment

Growth of Life FUM

- FUM increased by 42% to \$175m with limited distribution capability
- Investment in distribution resources, combined with new product during 2010, is expected to result in significant increase in FUM in 2011
- Imputation product now includes >30 investment portfolio options, with product access via over 100 Dealer Groups
- New product development activities with recent launch of the ChildBuilder™ Bond product

Stabilisation of Property Business

- Major tenant issues resolved
- Debt financing remains the final stage of restructuring
- Well-positioned to explore growth opportunities via acquisition or new product development

Financial Overview: Operating Result

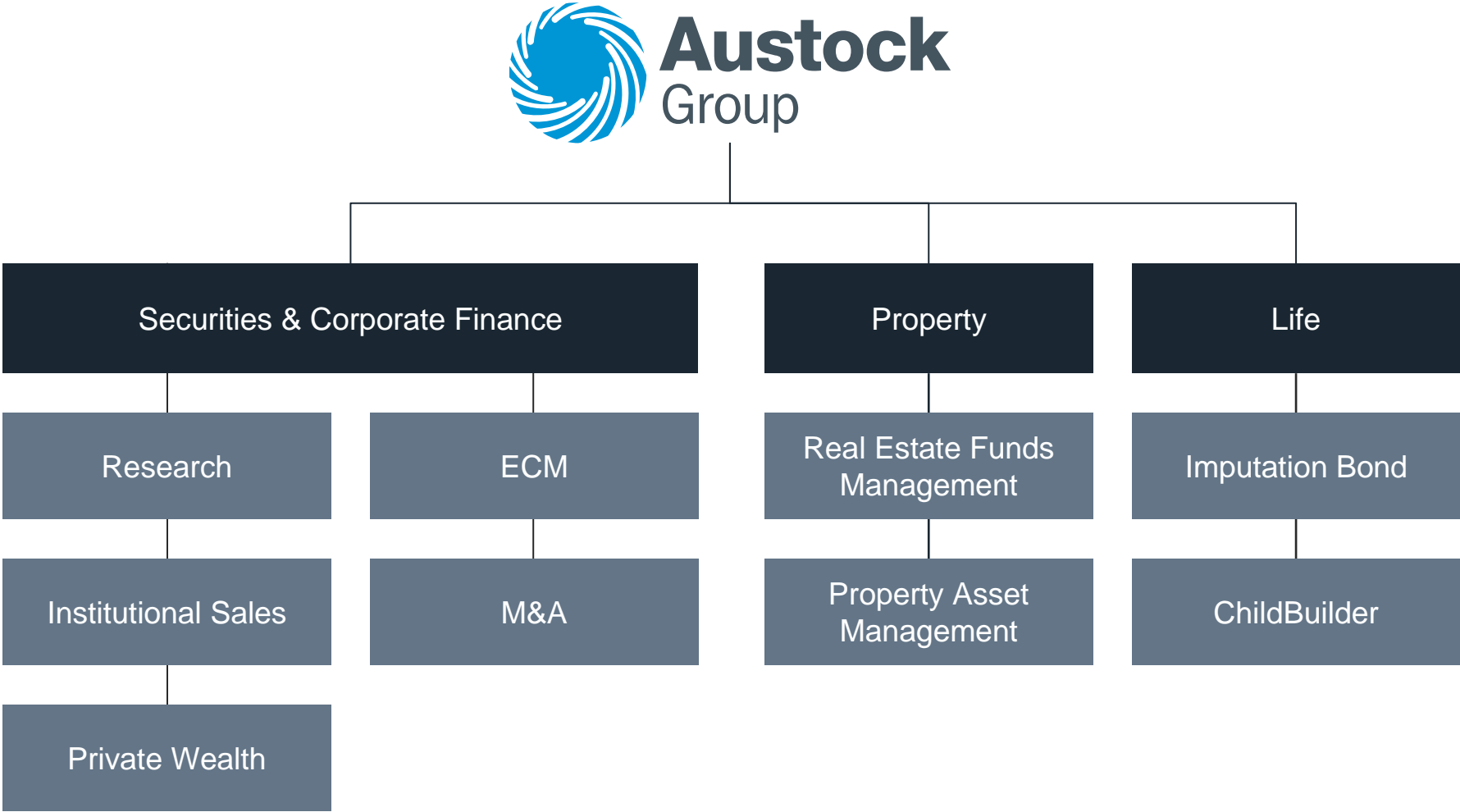
Operating Results (\$m unless stated)

Year ended 30 June	2010	2009	Change
Revenue			
Corporate & Securities	27.6	28.9	(4.5%)
Investment Management	7.2	10.9	(33.9%)
Other	0.7	0.2	nm
	35.5	40.0	(11.3%)
Personnel costs	(23.9)	(27.7)	13.7%
Operating costs	(12.3)	(13.0)	5.4%
Underlying loss	(0.7)	(0.7)	–
Other significant staff related costs	(6.3)	(0.6)	nm
Income tax benefit	1.0	2.1	(52.4%)
Impairment reversals / (charges)	0.2	(21.1)	nm
Loss from discontinued operations	–	(0.6)	nm
Reported profit / (loss) after tax	(5.8)	(20.9)	72.2%

nm: not meaningful

Note: Excludes Life benefit funds

Segment Review: Organisational Chart



Segment Review: Corporate & Securities

Corporate Finance & Equity Capital Markets

- New leadership team with appointments of several senior staff in deal generation roles
- Aggressive deal chasing resulting in more than 25 mandates through 2010; majority are new clients across a spectrum of industries. Deals of note include:
 - Corporate advisor to Slater & Gordon in relation to a \$57m acquisition and \$40m underwritten capital raising
 - Lead manager and underwriter for the \$177m IPO of Gerard Lighting, which included a \$85m capital raising
 - Other capital raising and corporate advisory roles with companies including Dyesol, Australian Education Trust, Catalpa, Mineral Resources, Pluton, Service Stream, Sims Metal Management and Northern Energy
- Focus on deal generation and establishing long-term client relationships in the mid-cap and emerging company space

Research

- Rated best-resourced and credentialed research house of the non-globally aligned brokers
- Team produced 1,180 reports in 2010, plus numerous notes and calls in response to investor queries
- Consistently rated highly in the mid-cap and emerging company space in regional and national independent surveys, such as Starmine, East Coles, Australia Stockbroker Awards and Asia Money
- Specialist industry focus sectors include resources, agribusiness, mining services, infrastructure and emerging markets

Segment Review: Corporate & Securities

Institutional Trading

- Business cyclical to market traded volumes, which were depressed in 2010
- Appointment of new co-head of institutional trading, based in Sydney. Sydney market is key to the growth of this business
- Increase corporate product flow through alignment with Research, Corporate Finance and Equity Capital Markets
- Focused client management

Private Clients & Financial Planning

- Increase number of advisers and geographic focus. Strategy will include attracting experienced advisers with existing client books, as well as training new advisers
- Focus on increased revenue, by adviser
- Growth of the Asian Desk to gain a stronger foothold within the Australian Asian communities
- Enhance client stickiness with broader internal cross selling of other Group products
- Enhanced client share-of-wallet through targeted research, corporate product flow and end-to-end client servicing (within our Private Client product suite)
- Merging of Structured Sales and Private Clients
- Need to invest in product to strongly differentiate our value proposition

Segment Review: Investment Management

Property Funds Management

- Growth of FUM through organic and non-organic means. With major tenant administration and receivership at an end, team significantly freed-up to focus on growth strategies
- Property at the bottom of the cycle with only premium commercial end of market commencing rebound. Several opportunities presenting themselves however many aggressive and growing players likely to compete on deals
- Refinancing AET debt (term ends 30 June 2011) an immediate operational focus

Life

- Core focus remains distribution; replicating the successes of 2010. Focus on the NSW and QLD markets with two new Sydney-based BDMs
- New product development launch in August with the ChildBuilder™ Bond
- Further expansion of the Imputation Bond's investment menu
- Continued positive research coverage, including "Highly Recommended" rating with Zenith Investment Partners

Summary & Outlook

Corporate & Securities Market Positioning

- Position Austock as the premium mid-cap and emerging companies specialist
- Client identification as the long-term & committed player to this space in the Australian market
- Pricing product appropriately for issuers and investors alike

Relationship Nurturing

- Identify & establish long-term corporate relationships with high-opportunity mid-cap and emerging companies

Growth of Private Client Business

- Expand adviser network, both in numbers and geographically
- Continued focus on Asian Desk and growing networks into the Australian Asian communities
- Invest to develop a differentiated value proposition

Continue Momentum in Strong FUM Growth in Life

- Focus on distribution via BDM networks
- New product development and broader imputation bond investment options
- Continue to expand investment options on platform

Growth in Property FUM

- Identify and transaction organic and or non-organic growth initiatives

“Austock is very well positioned as
the committed mid-cap market specialist”

Paul Masi, Chief Executive Officer

Matters for Consideration

Matters for Consideration – Ordinary Business

Item 1: Financial Reports

To receive and consider the Financial Report of the Company and the Reports of the Directors and Auditor for the financial year ended 30 June 2010.

Valid proxy votes received 92,018,873

FOR	AGAINST	ABSTAIN	OPEN
71,935,823 (78.18%)	5,303,208 (5.76%)	14,960	14,779,842 (16.06%)

Matters for Consideration – Ordinary Business

Item 2: Adoption of Remuneration Report

To consider, and if thought fit to pass, the following resolution:

“That the Remuneration Report of the Company for the financial year ended 30 June 2010 be adopted.”

This resolution is advisory only and does not bind the directors of the Company.

Valid proxy votes received 90,018,413

FOR	AGAINST	ABSTAIN	OPEN
56,728,219 (63.02%)	17,674,402 (19.63%)	2,015,420	15,615,792 (17.35%)

Matters for Consideration – Ordinary Business

Item 3.1: Election of Directors

To consider, and if thought fit to pass, the following resolution:

“Mr Steven Gregg, who will cease to hold the office in accordance with Rule 11.1(c) of the Company’s Constitution at the conclusion of this meeting and, being eligible, offers himself for election, be elected a Director of the Company.”

Valid proxy votes received 88,670,146

FOR	AGAINST	ABSTAIN	OPEN
73,026,554 (82.36%)	1,027,800 (1.16%)	3,363,687	14,615,792 (16.48%)

Matters for Consideration – Ordinary Business

Item 3.2: Election of Directors

To consider, and if thought fit to pass, the following resolution:

“Mr Kevin Franklin Clarke, who will cease to hold the office in accordance with Rule 11.1(c) of the Company’s Constitution at the conclusion of this meeting and, being eligible, offers himself for election, be elected a Director of the Company.”

Valid proxy votes received 92,033,833

FOR	AGAINST	ABSTAIN	OPEN
73,026,554 (79.35%)	4,391,487 (4.77%)	—	14,615,792 (15.88%)

Questions