



Equity Trustees Limited
2010 Annual General Meeting
29 October 2010

Board of Directors



Mr JA (Tony) Killen
Non Executive
Director
Chairman



Mr Robin Burns
Managing Director



Mr David Groves
Non Executive
Director
Deputy Chairman



Mr John McConnell
Non Executive
Director



**The Hon Jeffrey
Kennett AC**
Non Executive
Director



Ms Alice Williams
Non Executive
Director



Mr Barry Jackson
Non Executive
Director



Ms Anne O'Donnell
Non Executive
Director

Agenda

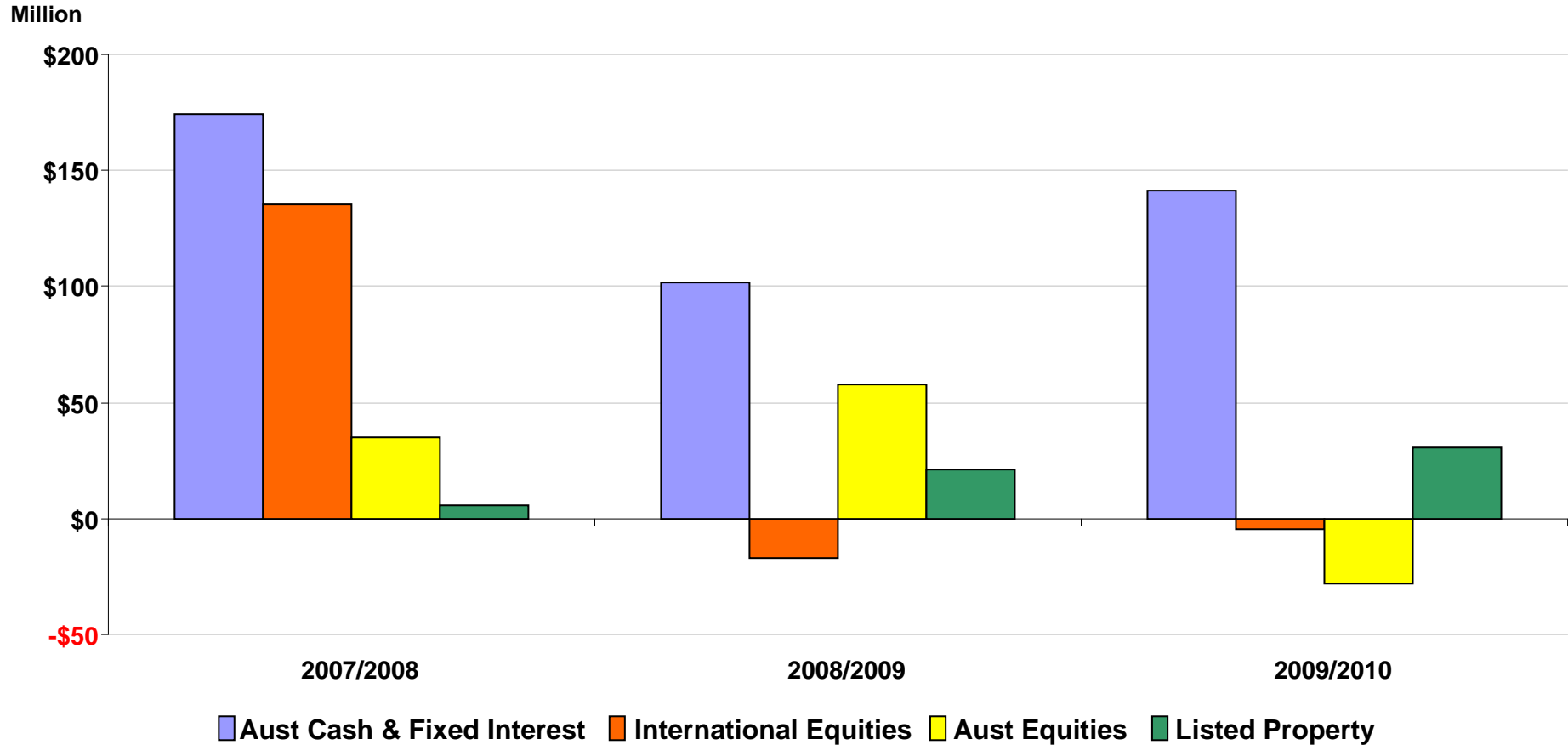
1. Overview and highlights Mr Tony Killen
2. Operational performance Mr Robin Burns
3. Items of business Mr Tony Killen
Mr David Groves
4. Questions



Sharemarket performance S&P/ASX200 Accum Index 30 June 2007 to 30 September 2010



Net Yearly Fund Flow Funds Management Business Unit



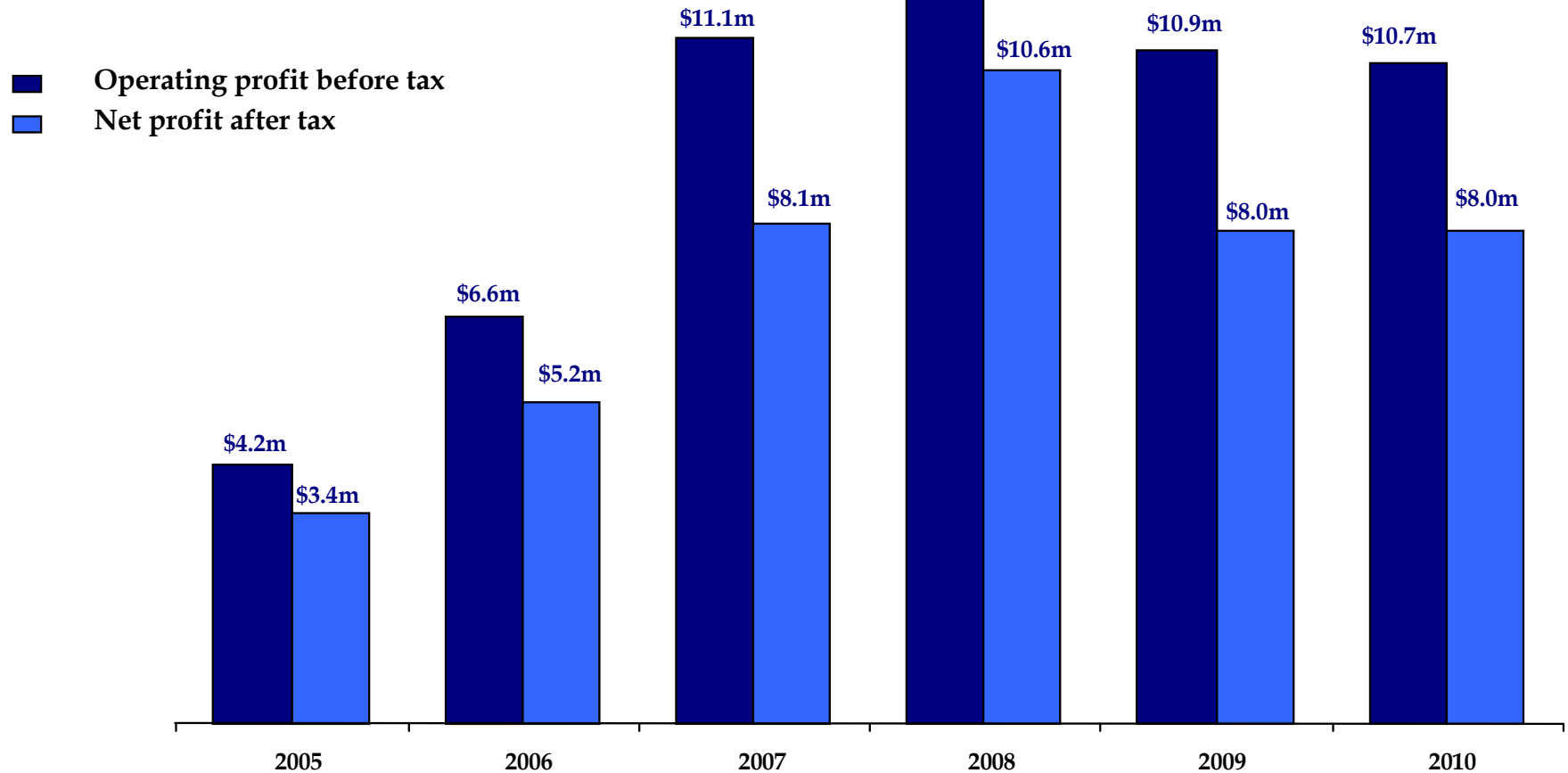
Overview – FY2010



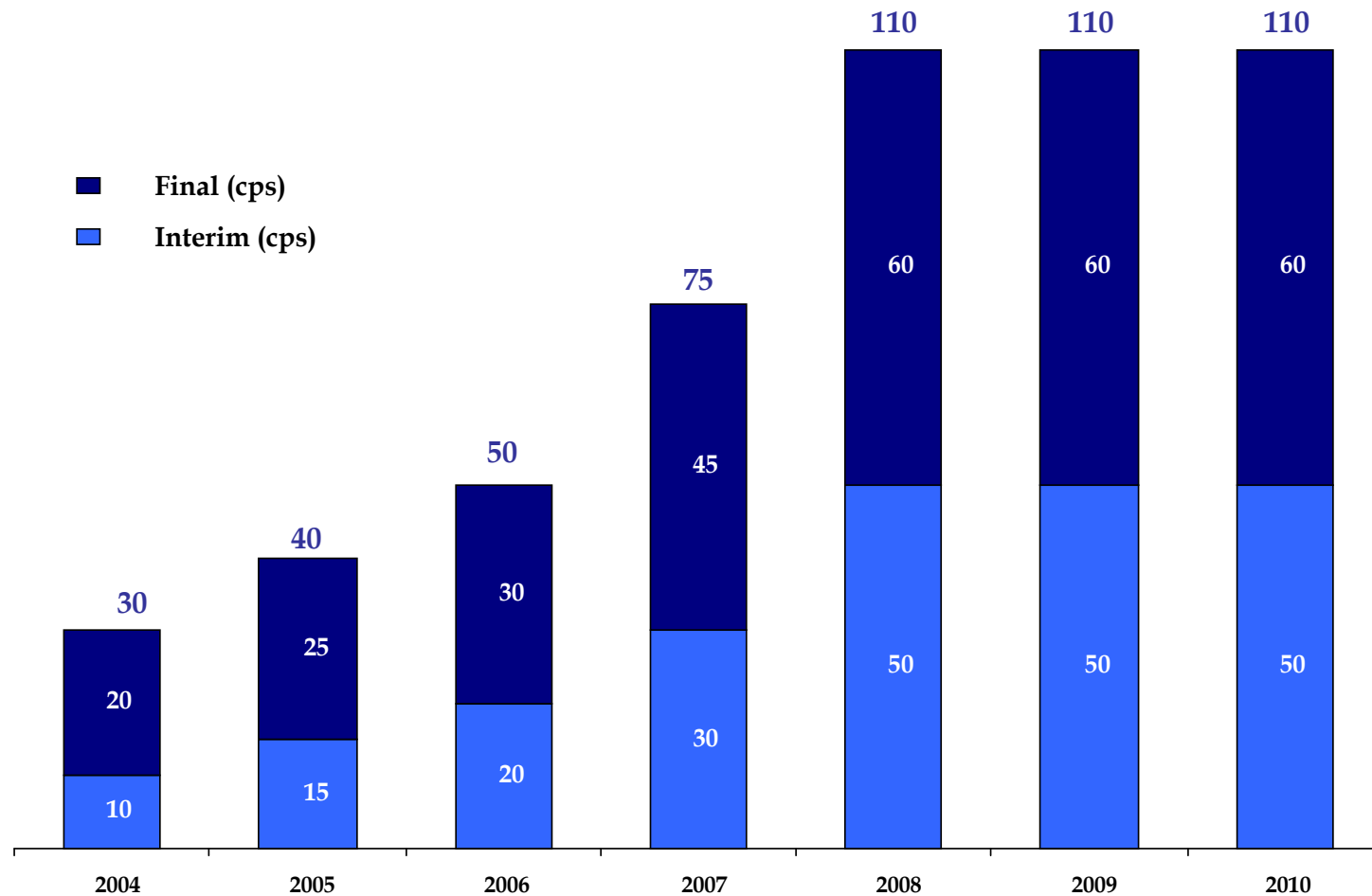
- Satisfactory profits given testing conditions.
- Company well poised to continue to deliver for shareholders.
- 110¢ full-year, fully franked dividend maintained at 2009 levels.
- Sensible investment in the business, balanced by expenditure control.
- Strong balance sheet, nil debt.
- Stable management team and staff have demonstrated loyalty and expertise.
- New Managing Director, Robin Burns started in March.

Profitability

- Operating profit before tax down 1.8% to \$10.7m
- Net profit after tax maintained at \$8.0m
(Includes profit on sale of investments)

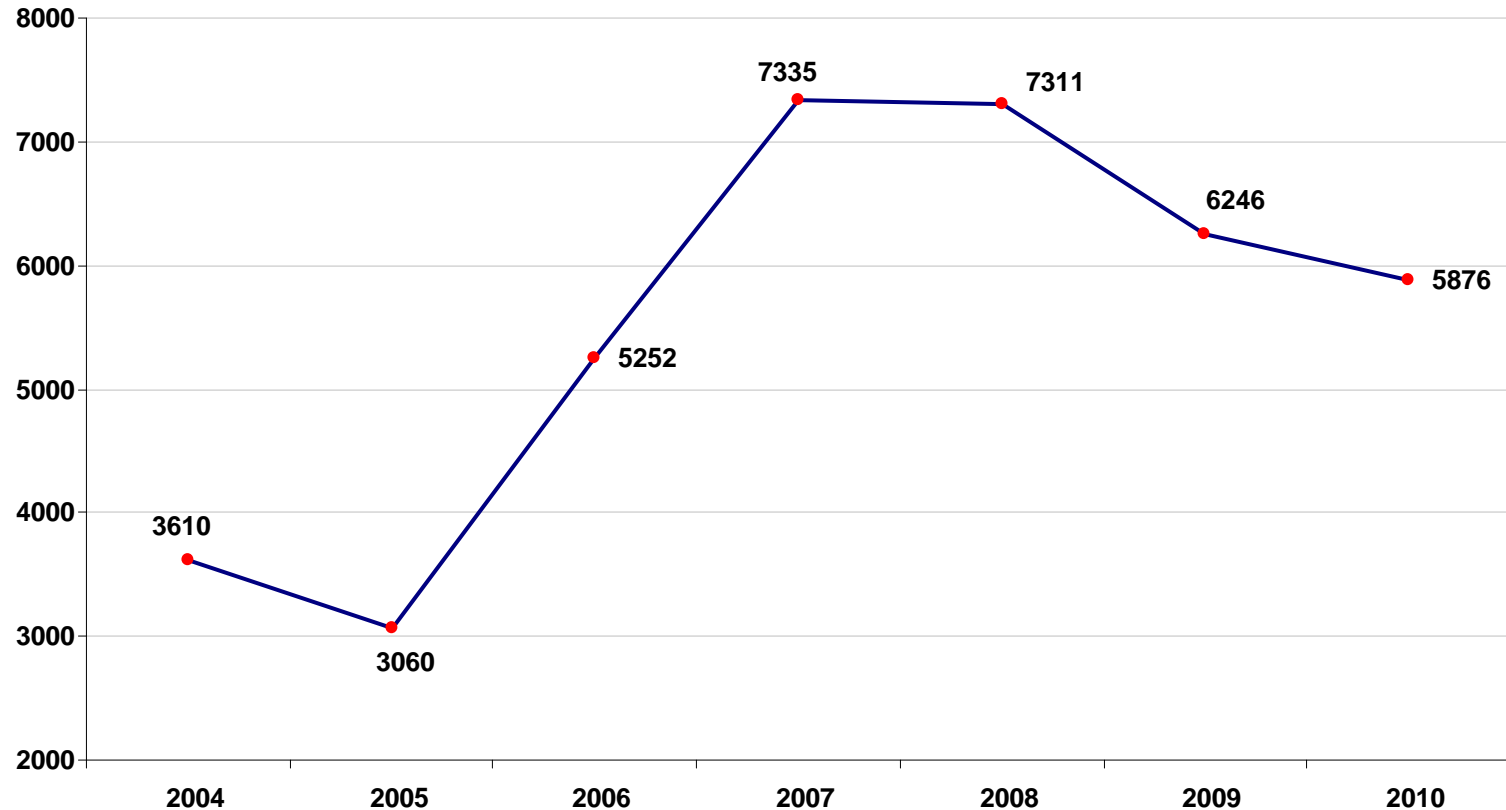


Shareholder Dividends



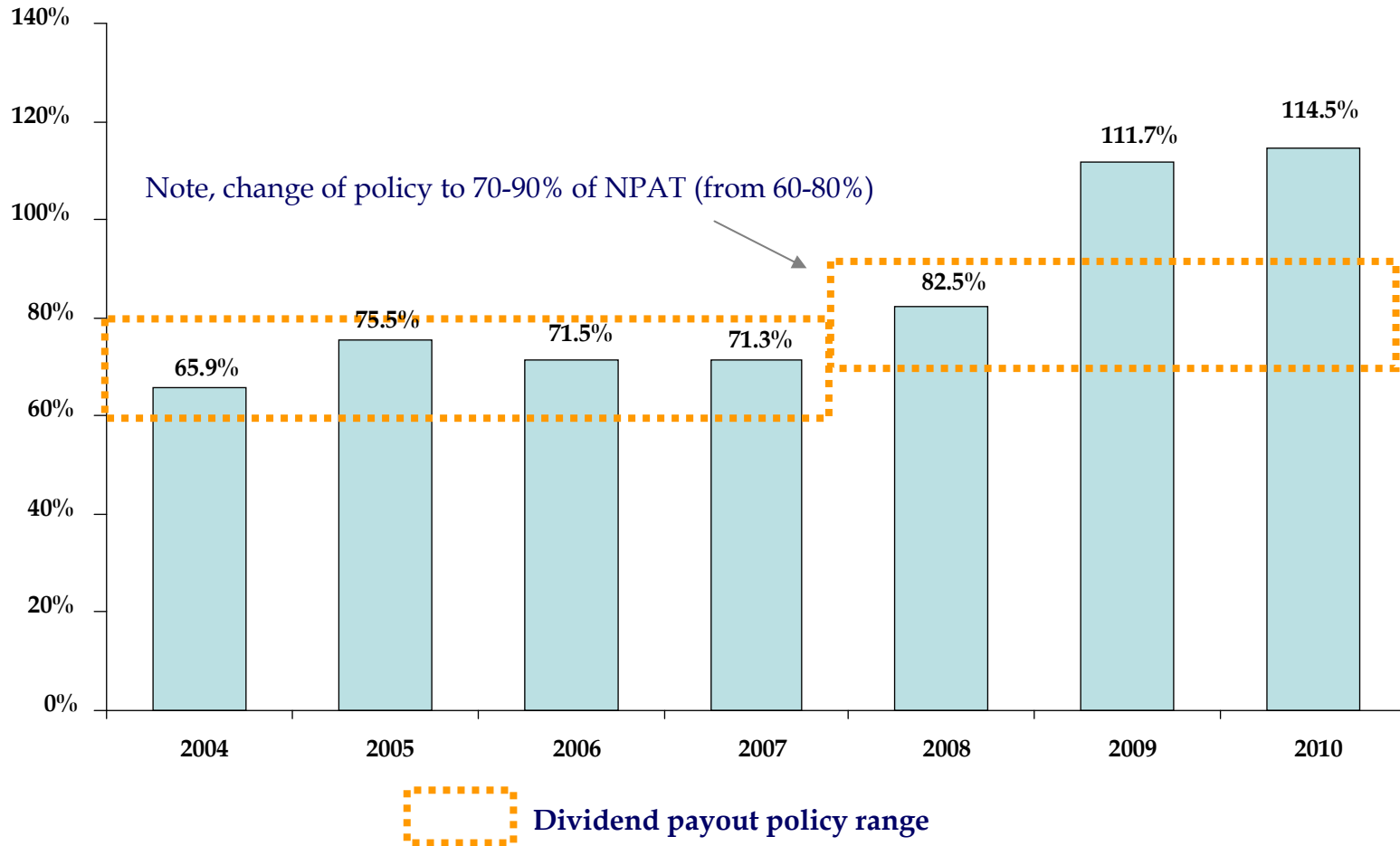
Franking Credits Balance

Greater utilisation in 2009 and 2010 due to increased dividend.



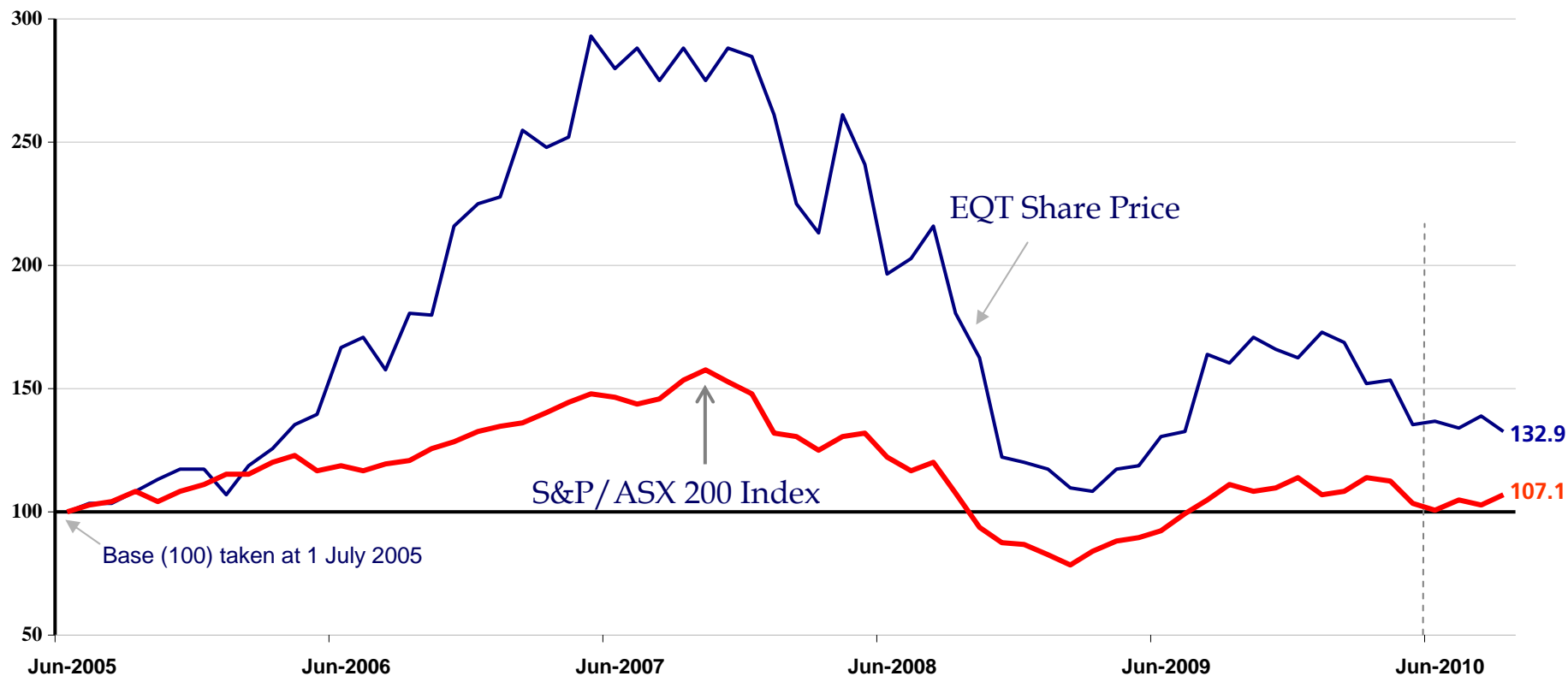
Dividend payout ratio

Full-year dividend as percentage of Earnings Per Share



Sustained share price outperformance

	1 July 2005 to 30 June 2010
S&P/ASX 200 Accum. Index	24.8%
EQT Total Shareholder Return	74.8%
EQT Compound Growth pa. over the 5 years	11.8%



Recent acquisition – OAMPS Superfund



- Further step growth into Super
- 27,000 members
- \$265m FUM
- Cost approximately \$10 million – funded from internal resources
- Profitable from day one, 1 November 2010
- Synergy benefits expected
- Bolt-on to existing master trust
- Earnings accretive in first 12 months
- Access to OAMPS Distribution Networks

The Board



- Triennial formal performance appraisal in March 2010 – some suggestions to be considered but overall conclusion was positive.
- Succession planning process is in place – based on desired skills mix and timetable for renewal.
- Barry Jackson stepping down after 8 years – distinguished service and contribution.
- Anne O'Donnell joined in September. Considerable relevant experience and broad range of skills.
- Continue to use external resources to ensure widest possible range of potential candidates and appropriate mix of skills and backgrounds.

Looking ahead



Outlook for 2011:

- Economic conditions still difficult in US and Europe – impacting confidence and equity markets worldwide, and hence investors.
- Company well placed to benefit from a sustained recovery.
- Overall strategic plan still relevant and balanced – appropriate to the conditions and actively maintained.
- First quarter results tracking slightly ahead of prior year.
- All business units producing positive results and well positioned to manage industry change.
- Continuing to pursue operational improvement and efficiency.
- Incentive structure aligned to corporate, business unit and individual performance.
- OAMPS super business – fully integrated by 30 June 2011.
- Continue to look for growth or acquisition opportunities.



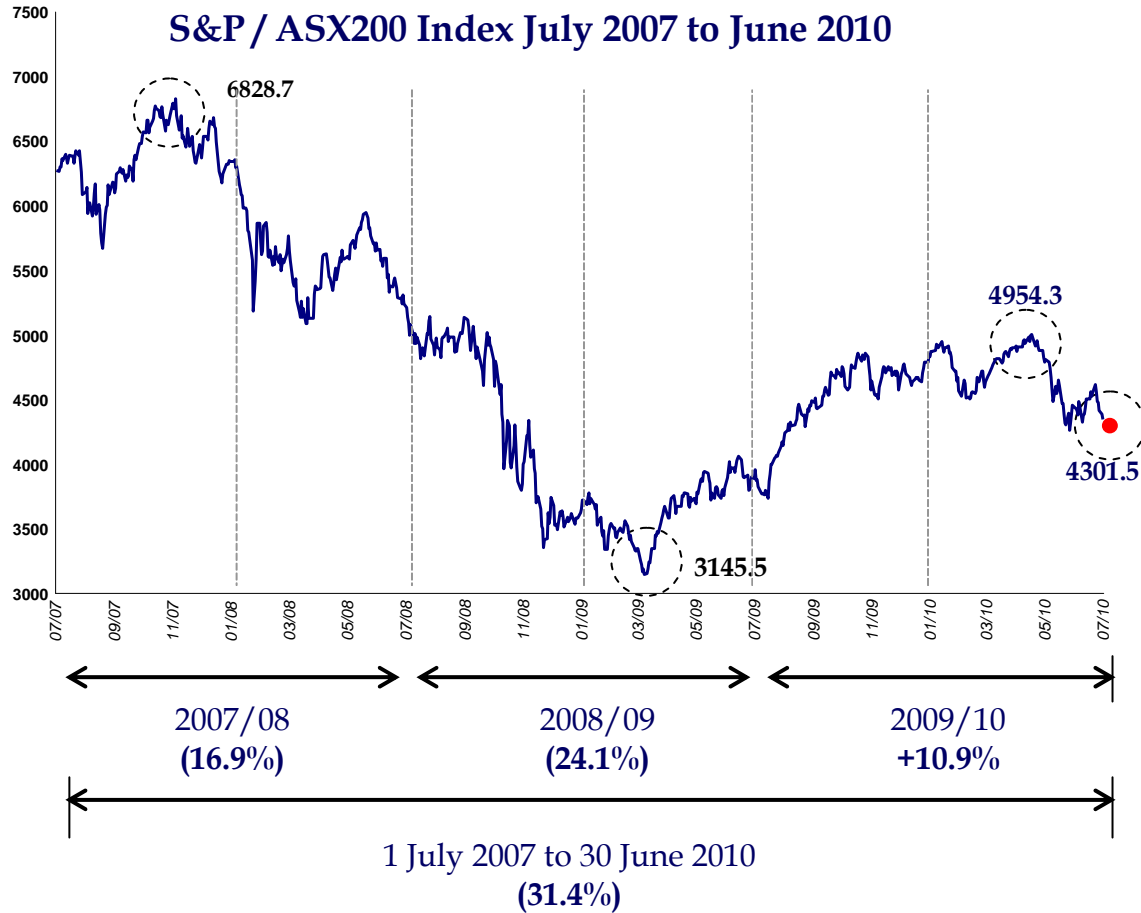
Mr Robin Burns
Managing Director
Equity Trustees Limited

Overview – FY2010



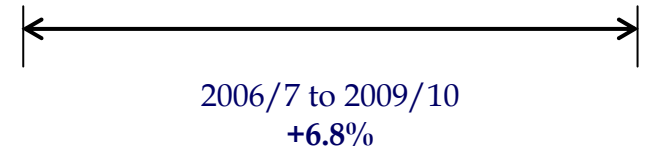
- Operating revenue growth 2.1%.
- Operating margin 31.1%, compared with 32.4% in previous year.
- New business generation continued, although varied between business units.
- All business units continue to earn positive EBIT.
- Expenses grew 4%
- No impairment charges.
- Strong cash flow generation from operating activities.

Revenue recovering



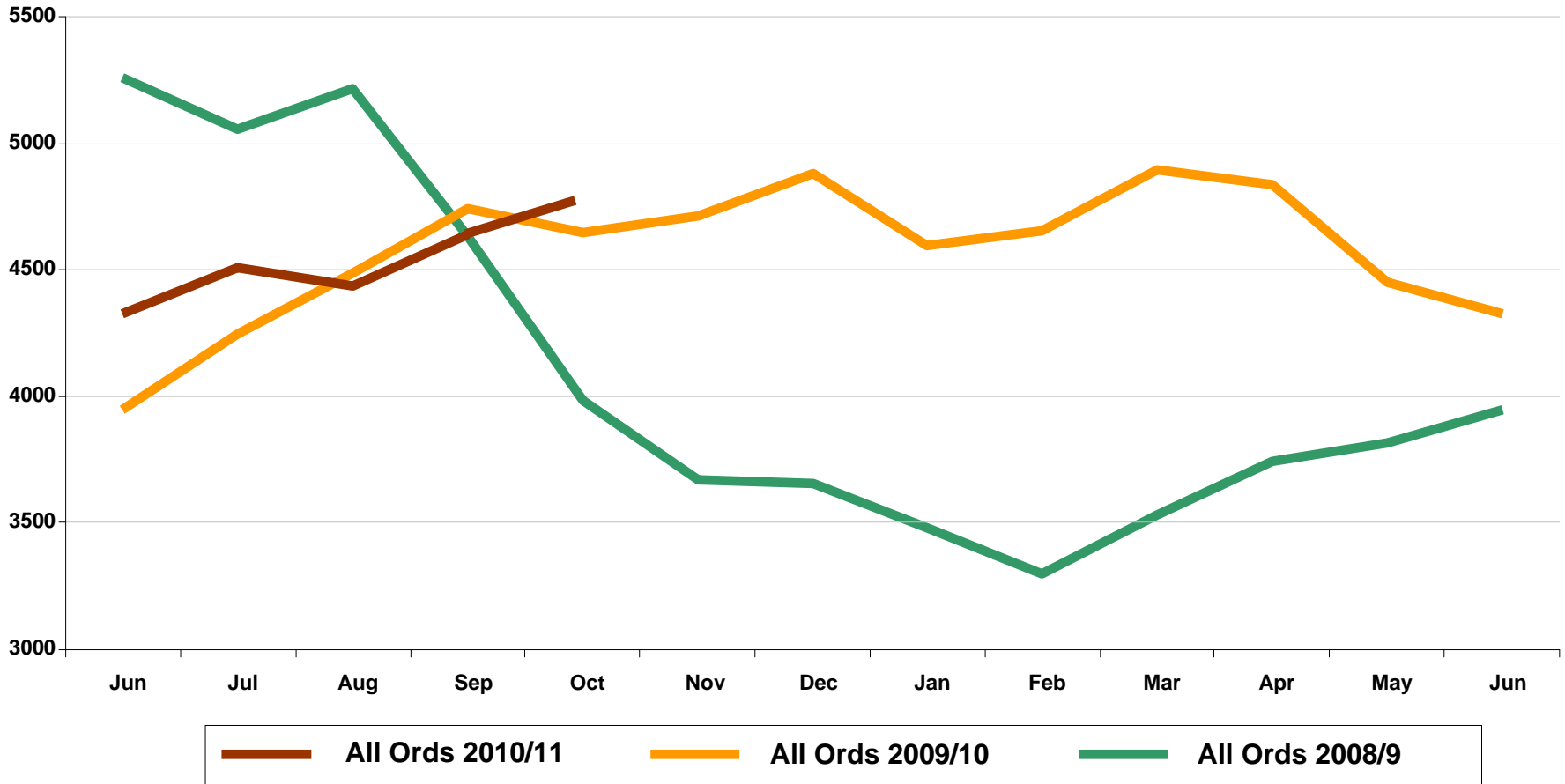
	FY 2008	FY 2009	FY 2010
S&P/ASX200 Year on year	(16.9%)	(24.1%)	+10.9%
EQT operating revenue year on year	+21.2%	(13.7%)	+2.1%

Change in EQT Operating Revenue



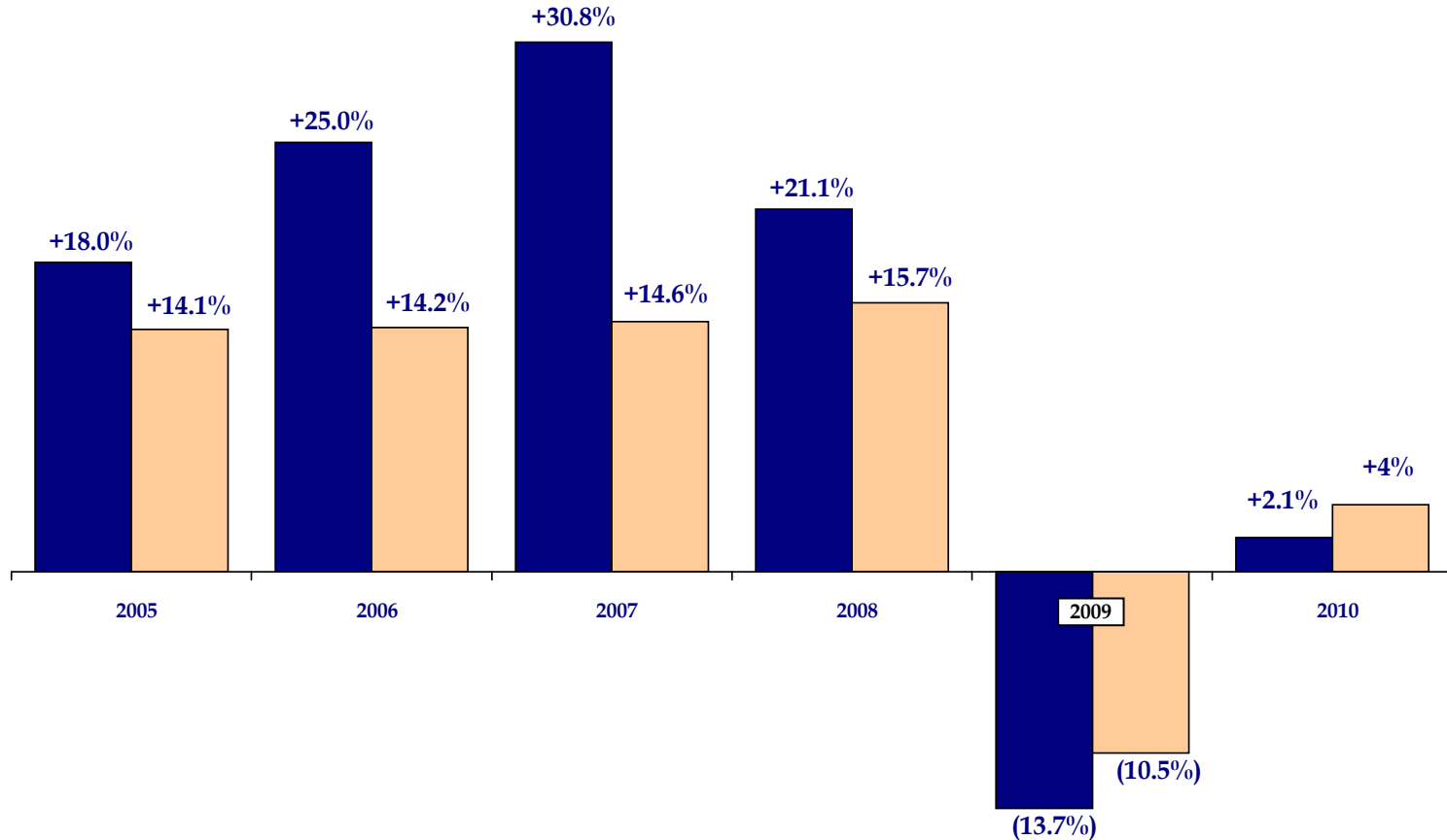
Note: The relationship between the ASX 200 and EQT operating revenue is not direct. Around 50% of revenue is impacted by EQT's exposure to equity markets

S&P/ASX All Ordinaries Index Year on Year FY08/09, FY09/10 & YTD10/11



Expense management and margins

- Growth - operating revenue (net of gains on the sale of investments)
- Growth - operating expenses (net of depreciation/amortisation)



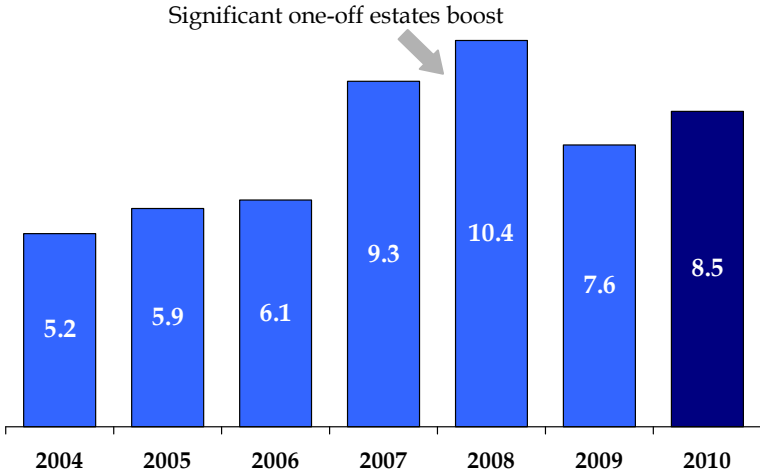
Operating margin	2005	2006	2007	2008	2009	2010
	21.2%	26.8%	34.3%	37.1%	32.4%	31.1%

Business units – activities and key measures

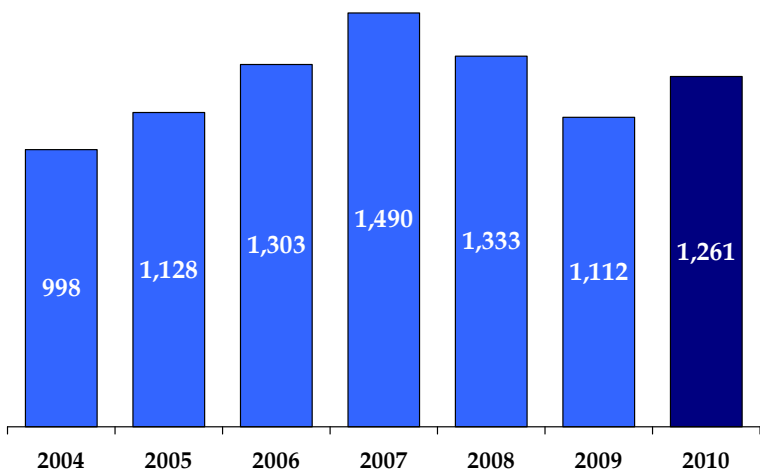
Business unit	Key services	Target market / channel	2010 Revenue vs 2009	2010 FUM/FUA vs 2009
Private Clients	<ul style="list-style-type: none"> ➤ Wealth Management ➤ Asset Management ➤ Trusts & Estates ➤ Philanthropy 	<ul style="list-style-type: none"> ➤ Private investors ➤ Business to business referrals 	\$8.5m +12.6%	\$1,261m +13.5%
Funds Management	<ul style="list-style-type: none"> ➤ Distribution ➤ Product management for EQT co-branded funds (managed by external specialists) 	<ul style="list-style-type: none"> ➤ Platforms/IDPS ➤ Financial planners 	\$8.3m (2.3%)	\$2,176m +12.3%
Fund Services	<ul style="list-style-type: none"> ➤ Responsible entity ➤ RSE 	<ul style="list-style-type: none"> ➤ Investment managers ➤ Superannuation funds 	\$8.5m +4.8%	\$14,452m +28.9%
Superannuation	<p>Full service master trusts –</p> <ul style="list-style-type: none"> ➤ Wealthpac ➤ Freedom of Choice 	<ul style="list-style-type: none"> ➤ Small-medium size corporates ➤ Members 	\$8.3m (1.8%)	\$624m +10.4%

Business unit overview - Private Clients

Operating revenue up 12.6% to \$8.5m



FUM up 13.5% to \$1,261m

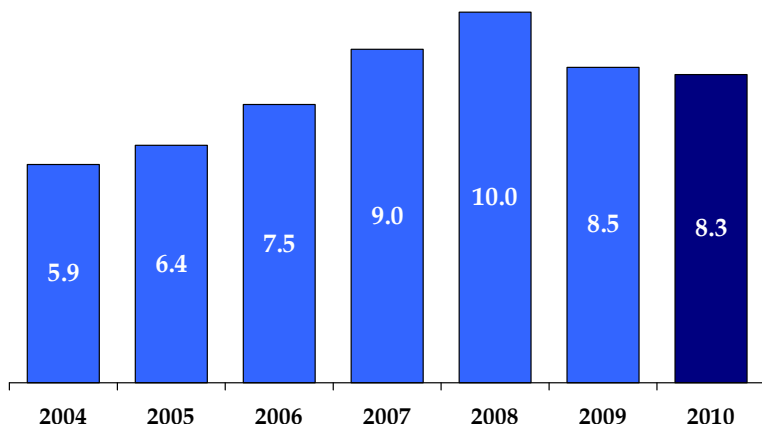


<p>2010 highlights</p>	<ul style="list-style-type: none"> ➤ Continuing growth in Wealth Management client numbers ➤ Consistent year in Philanthropy, Trusts & Tax ➤ Benefits of reorganisation of business unit - improved service to clients
<p>2011 outlook</p>	<ul style="list-style-type: none"> ➤ Upgraded sales resources and marketing focus including new BDM ➤ Changes to trustee company regulation allow interstate expansion ➤ Targeted sales performance, pricing refinement and communication programmes

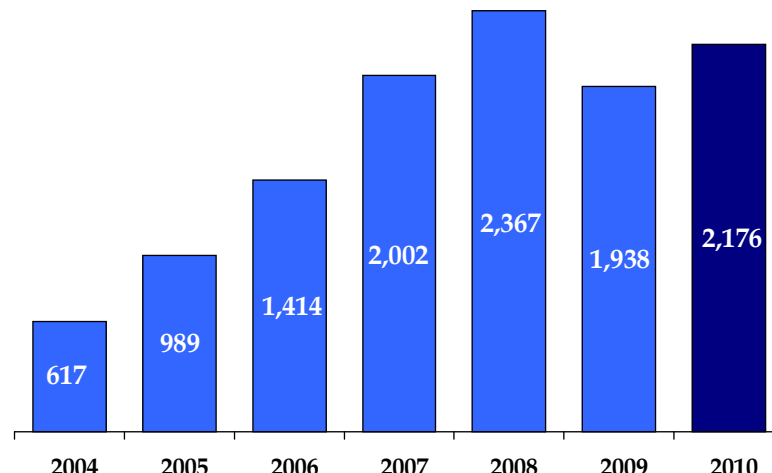
Business unit overview – Funds Management



Operating revenue down 2.3% to \$8.3m



FUM up 12.3% to \$2,176m

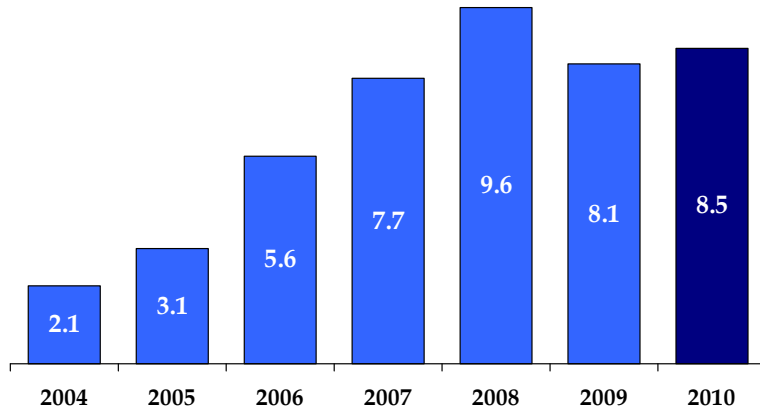


<p>2010 highlights</p>	<ul style="list-style-type: none"> ➤ Strong increase in flows into the EQT co-branded funds ➤ FUM increase not reflected in revenue due to changes in asset mix and timing of flows ➤ EQT co-branded funds perform well vs. their peers across major asset classes
<p>2011 outlook</p>	<ul style="list-style-type: none"> ➤ New BDM in Sydney ➤ Ongoing expansion into NSW and Queensland advisor markets ➤ Continued top-down & bottom-up approach to IDPS market

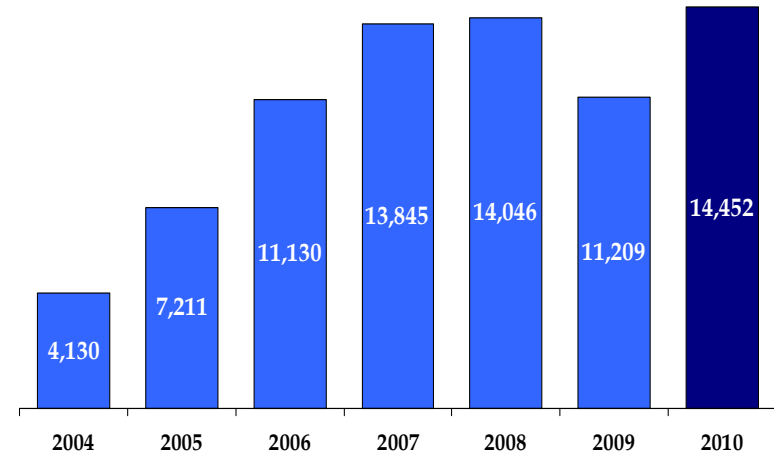
Business unit overview - Fund Services



Operating revenue up 4.8% to \$8.5m



FUA up 28.9% to \$14,452m

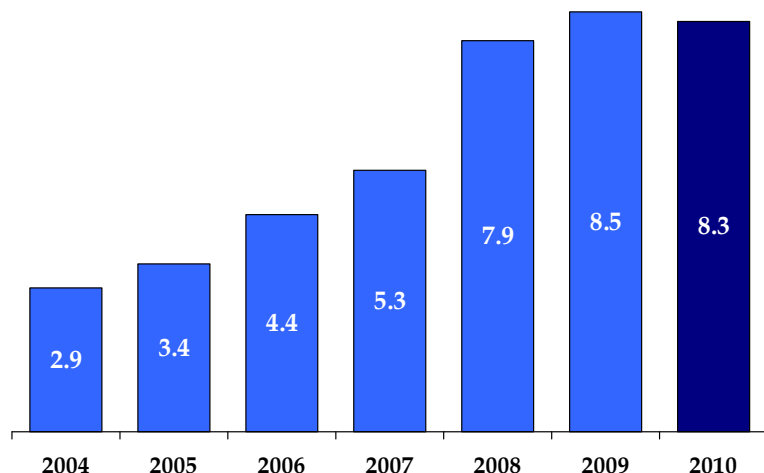


<p>2010 highlights</p>	<ul style="list-style-type: none"> ➤ Activity from domestic and global investment managers despite market downturn ➤ No exposure as RE to 'toxic' assets/funds ➤ Diversification of managers (42) ➤ Net growth in FUA primarily placed in lower margin, defensive assets
<p>2011 outlook</p>	<ul style="list-style-type: none"> ➤ Leverage strong referral network for ongoing growth in RE business ➤ Resources devoted to quality appointments

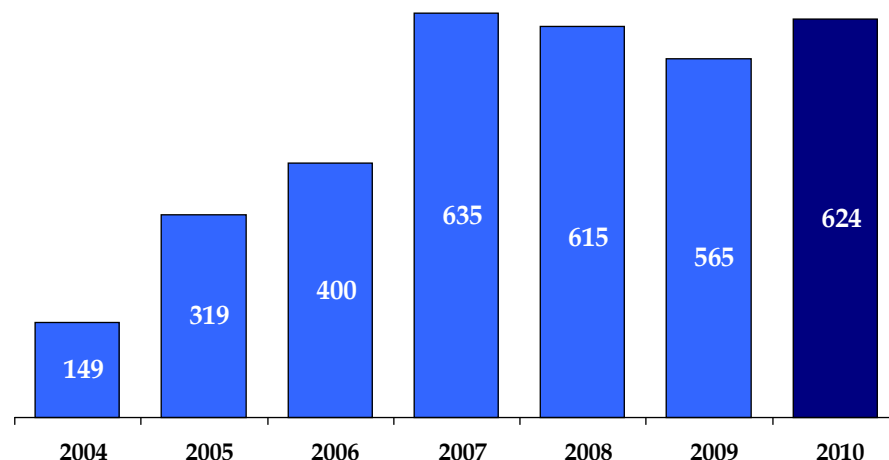
Business unit overview - Superannuation



Operating revenue down 1.8% to \$8.3m



FUM up 10.4% to \$624m



<p>2010 highlights</p>	<ul style="list-style-type: none"> ➤ The EquitySuper brand was launched and the integration of the Templeton's brand was completed ➤ The Freedom of Choice Master Fund was rated 5 stars by Heron Partnership ➤ Continued strong investment performance
<p>2011 outlook</p>	<ul style="list-style-type: none"> ➤ Product development activity is underway as a response to Cooper review outcomes ➤ Focus on member retention ➤ Integration of OAMPS master trust, announced in September

Support Services



- Support services provided by Corporate, Human Resources, Business Systems & Technology, Marketing, Operations, Risk Management & Compliance are all integral parts of the business.
- Last stages of implementing new back office system.
- Business Process Management project now underway.
- Together these provide a long-term operational platform, improved efficiency and control.
- Support services focus on serving a mix of internal and external clients and will seek to develop a customer focused approach.
- Strong culture of fiduciary responsibility, compliance and risk control.

Business update



Regulatory changes

- Trustee companies have commenced the transition to national legislation (from the previous state based legislation).
- Cooper, Ripoll and Henry reviews contain recommendations which may affect EQT's operation, products and services . All business units are well positioned to respond positively to changes and potential opportunities.

Acquisitions

- Announced in September, the acquisition of the OAMPS corporate super master trust (\$265m FUM).
- Signs of increased activity for potential acquisition opportunities. Continue to consider suitable bolt-on business acquisition opportunities, subject to established disciplines in requiring a near term accretive impact on earnings per share.
- Likely that acquisition activity in the financial services market will increase in the aftermath of the Ripoll review. Balance sheet strength places us well to respond when appropriate to do so.

Summary



Current results and activities

- Business has diversified revenue streams, all making solid earnings contributions.
- Despite continuing volatility, underlying margins remain healthy and revenue has held up well.
- Tight expenditure control through difficult period but future growth requires continued investment.
- New business generation continuing in most target sectors.
- No debt, cash flow positive, highly skilled and experienced staff, strong internal processes.

Summary (cont)

Looking ahead

- Demographic opportunity in private wealth management, good leverage to funds management industry.
- A market recovery and sustained return to equities will flow into revenue improvement.
- Focus on business development and sales/marketing culture, but maintain management discipline and "client first" ethos.
- Strategic direction well established, valid and regularly reviewed. Consider sensible acquisitions.
- Financial services is a people business. Attracting and retaining staff who can grow with the business and help take it to the next level is a strategic imperative.

Agenda

1. Overview and highlights Mr Tony Killen

2. Operational performance Mr Robin Burns



Items of business

Mr Tony Killen

Mr David Groves

4. Questions

Items of business

Item 1:

To receive and consider the financial statements and the reports of the directors and auditor for the year ended 30 June 2010.

Item 2:

To adopt the remuneration report for year ended 30 June 2010.

Item 3:

To consider the election of directors.

Item 4:

To consider the grant of a long-term incentive award to the Managing Director.

Items of ordinary business – Item 1



Item 1:

To receive and consider the financial statements and the reports of the directors and auditor for the year ended 30 June 2010.

Items of ordinary business – Item 2



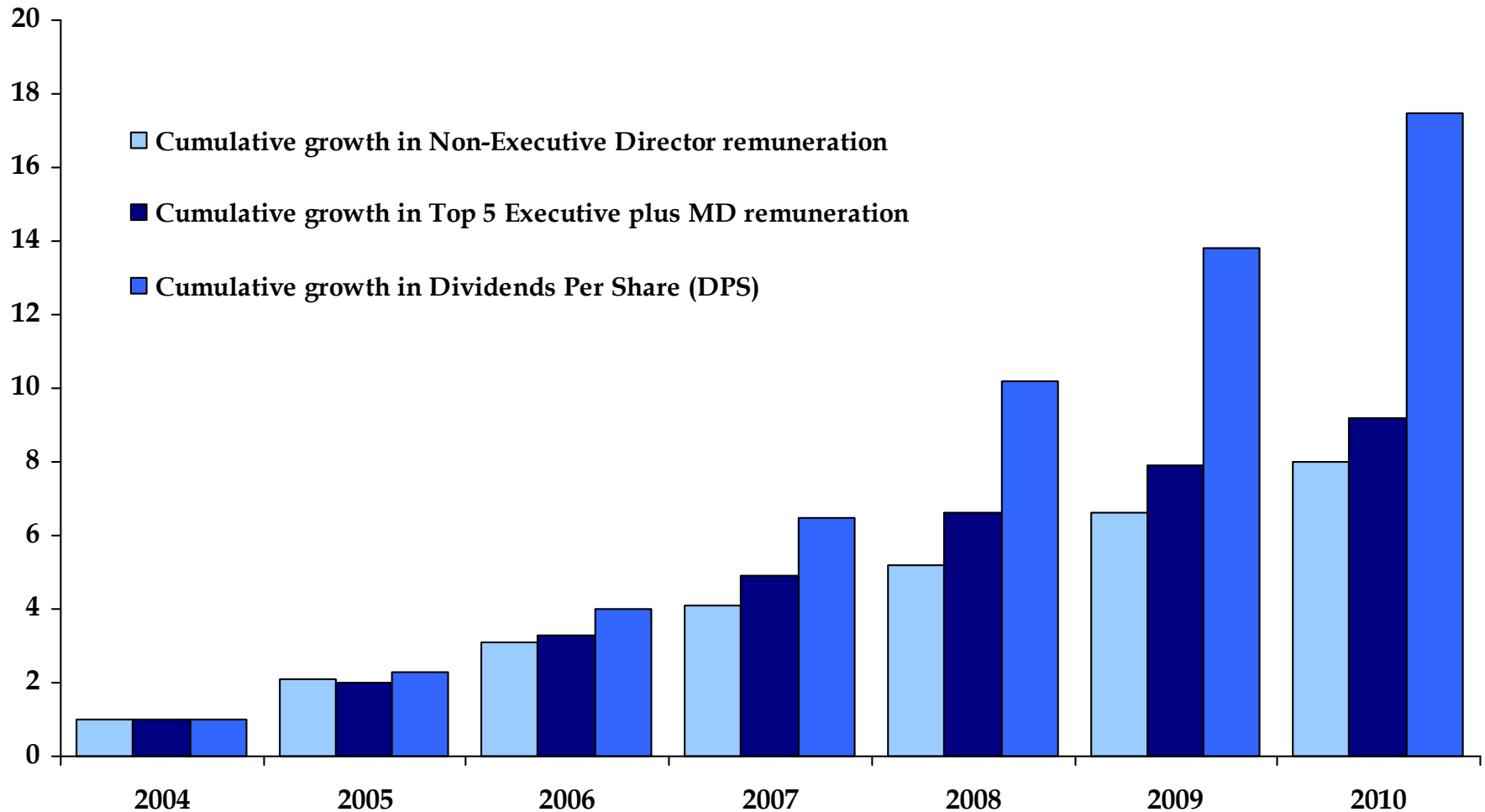
Item 2:

To adopt the remuneration report for year ended 30 June 2010.

Remuneration

- Pay freeze 1 July 2009.
- No Short Term Incentives paid for 2008/09 and 2009/10.
- Long Term Incentive allocations each year:
 - Series 1 Earned (ended 30/6/08)
 - Series 2 Partially Earned (ended 30/6/09)
 - Series 3 Not Earned (ended 30/6/10)
 - Series 4 Under Assessment (ended 30/6/11)
 - Series 5 Under Assessment (ended 30/6/12)
 - Series 6 Under Assessment (ended 30/6/13)
- Equity Share Acquisition Plan maintained each year. \$1000 p.a. per employee. 285 EQT shares accumulated for employees with 5 years service.
- Share Acquisition Plan launched. \$5000 p.a. may be salary sacrificed to buy EQT shares.

Tracking remuneration vs DPS



Item 2 – proxies received

To adopt the remuneration report for year ended 30 June 2010

In respect of item 2 of ordinary business, the following proxies have been received:

For	Against
3,676,988	199,387

Open (total) = 149,680

Open (held by EQT directors) = 114,504

Items of ordinary business – Item 3



Item 3(a):

To consider the re-election of Mr J A Killen

Mr. Groves to Chair the meeting for Item 3(a).

Item 3 (a) – proxies received

To consider the re-election of Mr J A Killen

In respect of item 3 (a) of ordinary business, the following proxies have been received:

For	Against
3,872,363	7,015

Open (total) = 170,180

Open (held by EQT directors) = 135,004

Items of ordinary business – Item 3



Item 3(b):

To consider the election of Ms A M O'Donnell

Item 3 (b) – proxies received

Item 3 (b) – to consider the election of Ms Anne O’Donnell

Ms Anne O’Donnell retires in accordance with Rule 48 of the company’s Constitution and, being an eligible person, offers herself for election.

In respect of item 3 (b) of ordinary business, the following proxies have been received:

For	Against
3,874,063	475

Open (total) = 170,180

Open (held by EQT directors) = 135,004

Items of special business – Item 4



Item 4:

To consider the grant of a long-term incentive award to the Managing Director.

Managing Director's LTI 2010/11 Series

- Quantum: 60% of TEC (\$425,000) = \$255k
- Measures: 50% TSR / 50% EPS, over 3 years

➤ Vesting Scales:

TSR

- | | |
|--|------|
| ➤ Less than 50 th per-centile | Nil |
| ➤ 50 th per-centile | 50% |
| ➤ 75 th per-centile | 100% |

EPS

- | | |
|--------------------|------|
| ➤ Less than 5% pa | Nil |
| ➤ 5% pa | 25% |
| ➤ 15% pa and above | 100% |

Item 4 – proxies received

To consider the grant of a long-term incentive award to the Managing Director.

In respect of item 4 of special business, the following proxies have been received:

For	Against
3,611,476	218,494

Open (total) = 150,119

Open (held by EQT directors) = 114,468

Agenda

1. Overview and highlights Mr Tony Killen
2. Operational performance Mr Robin Burns
3. Items of business Mr Tony Killen
Mr David Groves

 **Questions**

