

28 August 2008

Equity Trustees confirms record result

Equity Trustees Limited (ASX: EQT) today confirmed its full year financial results, which are in line with the company's previous guidance. Net profit after tax **increased 29.7%** based on a **35.4% increase** in after-tax operating profit. Operating revenue **increased by 21.2%**, while operating margin **increased to 36.5%**.

The net profit figure is the highest level of profitability ever recorded by Equity Trustees.

The company announced a **fully-franked final dividend of 60 cents per share, making a full-year dividend of 110 cents per share, fully franked** (a 46.7% increase on the 2007 dividend).

In summary:

	<u>2008</u>	<u>2007</u>	<u>Increase</u>
	<i>\$m</i>	<i>\$m</i>	
Operating revenue	39.2	32.4	21.2%
Operating expenses	24.9	21.3	17.2%
Operating profit before tax	14.3	11.1	28.8%
Income tax expense	4.0	3.5	
Operating profit after tax	10.3	7.6	35.4%
Profit on sale of investments (after tax)	0.3	0.5	
Net profit after tax	10.6	8.1	29.7%
Operating margin	36.5%	34.3%	
Earnings per share (cents)	133.35	105.18	26.8%
Dividend per share (cents)	110	75	46.7%

Equity Trustees' Chairman, Mr Tony Killen, confirmed that the result is in line with the forecast provided to the market in February 2008 and with the company's unaudited results released earlier this month.

"This is particularly pleasing given the deterioration in equity markets in the second half of the financial year. The company has performed well during recent market volatility, with all four of our business units recording year-on-year increases in operating revenue, net of acquisitions."

Mr Peter Williams, Equity Trustees' Managing Director, added that the company had worked hard during the financial year to integrate acquired businesses.

"We had a positive contribution during the year from Freedom of Choice, Mutual Benefit Consulting and Templetons Superannuation Management, all of which added to a strong year from our superannuation business unit."

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“Holdfast Fund Services, which was acquired as part of our Funds Management business unit also contributed to our result in the last quarter of the year.”

“Importantly all acquisitions have been integrated into our structure very effectively and will continue to be a positive factor in 2009 and beyond.”

Mr Williams confirmed that Equity Trustees’ acquisition programme remains a core part of the company’s growth plans.

“We will continue to seek acquisition opportunities however will only pursue those that are consistent with the company’s strategic platform and which are also in the interests of all stakeholders.”

Mr Killen confirmed that the company is expecting market volatility to continue.

“Our outlook for 2009 remains extremely cautious. We do however have a clear strategy in place, which has consistently delivered results over the last five years. This provides us with a sturdy platform from which to tackle the opportunities that the market presents to us.”

In a separate release Equity Trustees also announced the appointment of the Hon. Jeff Kennett AC to its Board as a non-executive Director. Mr Kennett fills a vacancy left after the retirement of Mr Philip Molyneux AM in August 2007. The appointment will be effective from 1 September 2008.

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