



Equity Trustees Limited

Full Year Results to

30 June 2006

Themes



- Record revenue and profitability
- Operating profit (post-tax) up 75%
- Operating revenue up 25%
- Operating margin up to 26.8%
- Increased returns to shareholders
- Growth in all four business units
- Wealthpac master-trust integration
- Positioned for continued growth

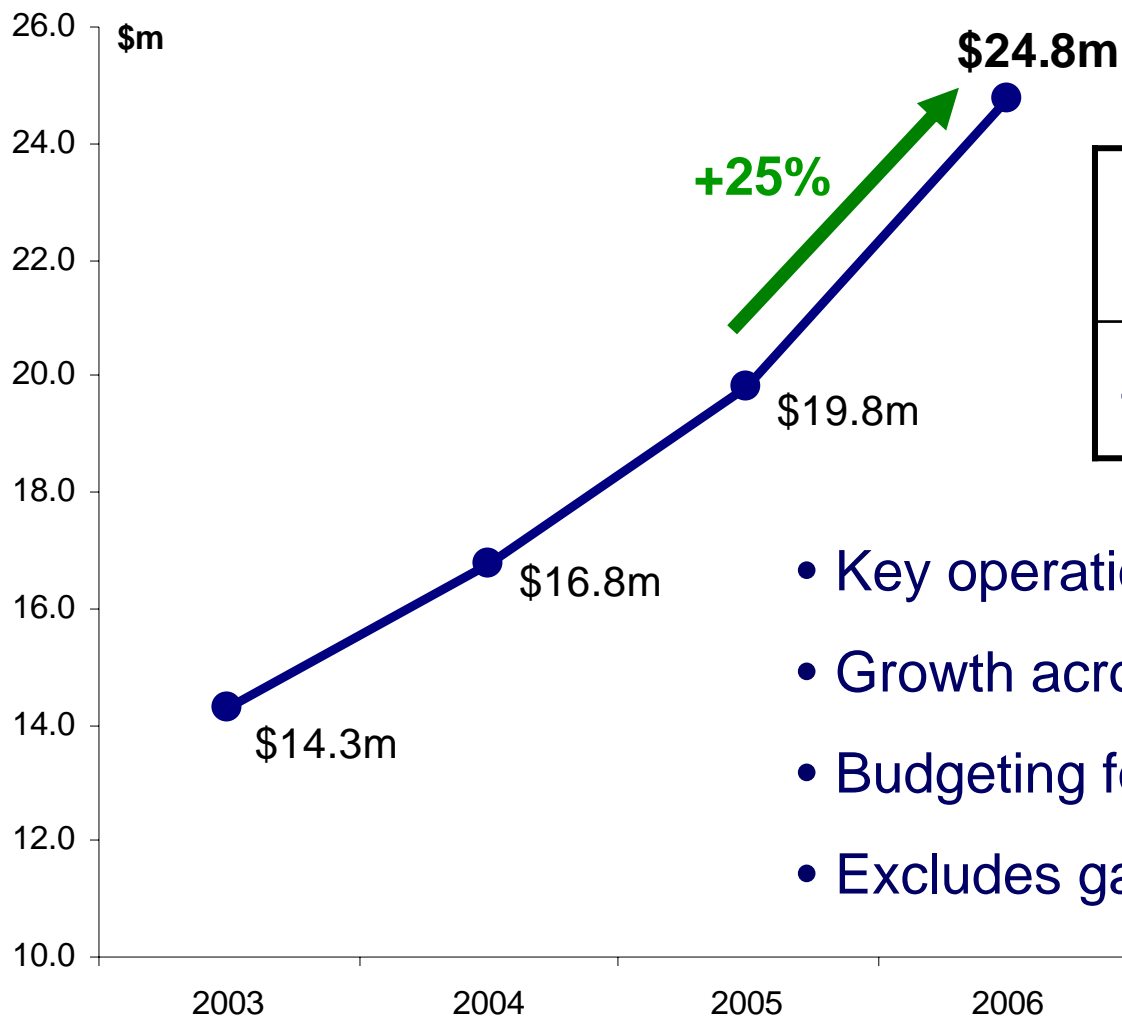
In summary

Op. Revenue*	\$24.8m	↑ 25.0%
Op. Profit* (pre-tax)	\$6.6m	↑ 57.9%
Op. Profit* (post-tax)	\$4.7m	↑ 74.9%
Net Profit (post-tax)	\$5.2m	↑ 51.5%
EPS (basic)	69.94¢	vs 52.98¢
DPS (fully franked)	50¢	vs 40¢

* Excluding gains from the sale of investments

All figures are calculated in accordance with A-IFRS policies

Operating Revenue



2004 VS 2003	2005 VS 2004	2006 VS 2005
+17%	+18%	+25%

- Key operational focus
- Growth across all business units
- Budgeting for continued growth
- Excludes gains from investments

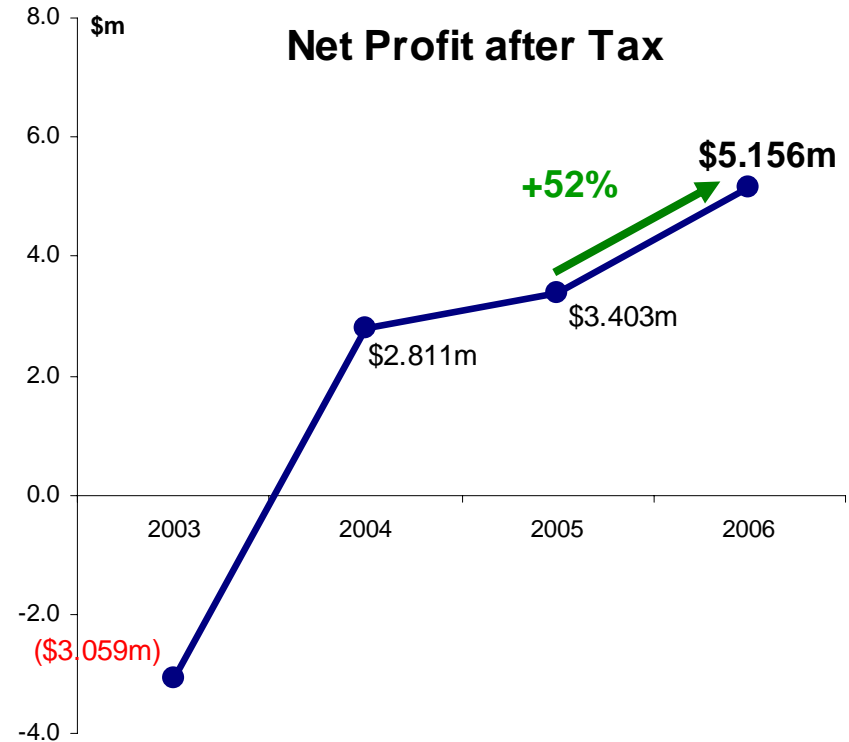
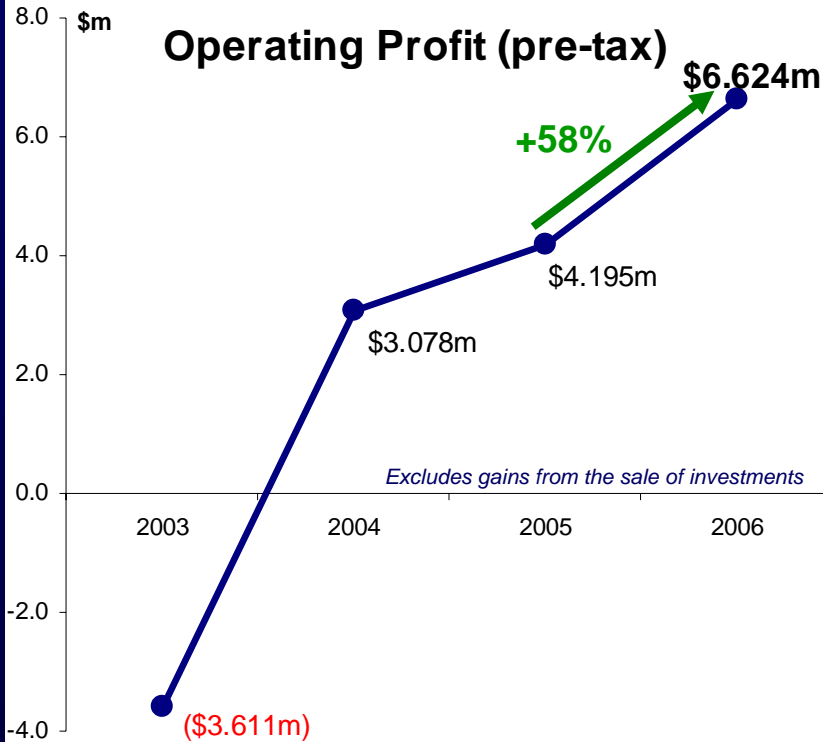
2005 & 2006 results are calculated in accordance with A-IFRS policies

Profitability

2005 & 2006 results are calculated in accordance with A-IFRS policies



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Operating Profit

2005 vs 2004	2006 vs 2005
+36%	+58%

Net Profit after Tax

2005 vs 2004	2006 vs 2005
+21%	+52%

Earnings per share



- Growth in EPS is post impact of capital raising conducted in late 2005
- Capital raising increased the weighted average numbers of shares on issue by 14.8%

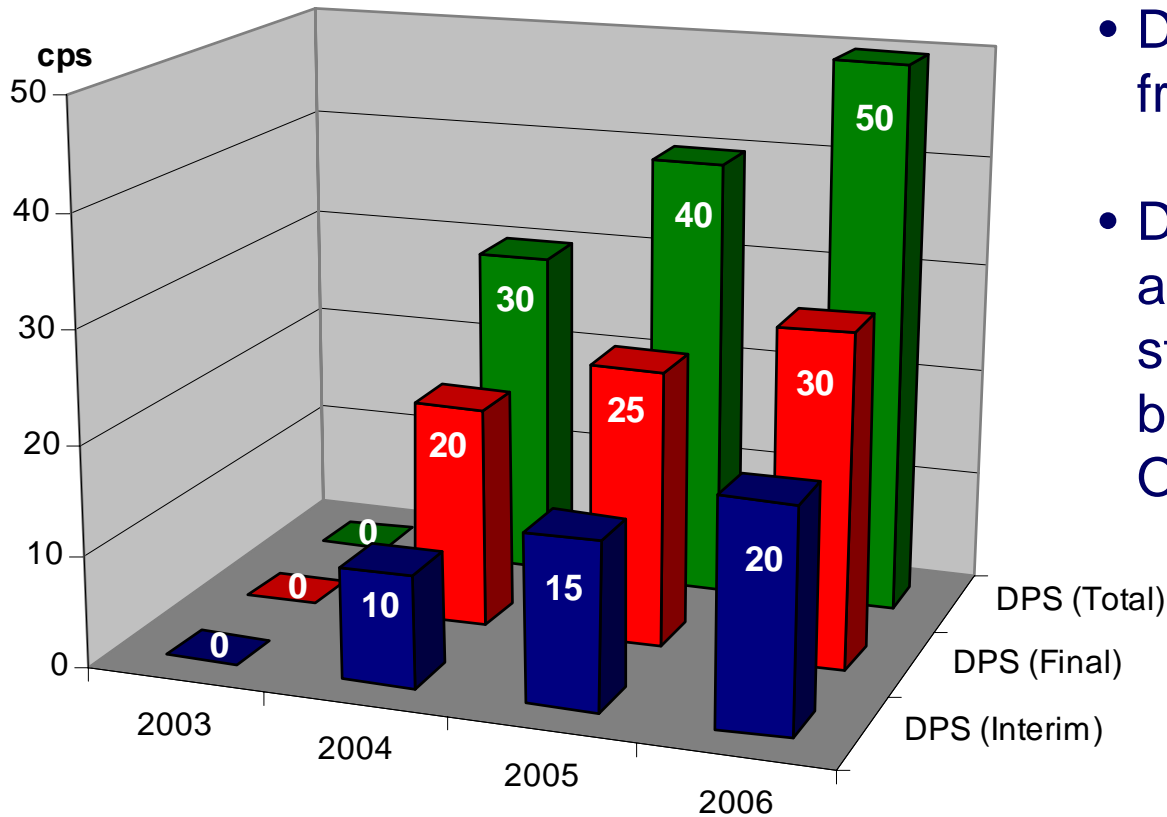
Weighted average shares on issue

2003	2004	2005	2006
5.87m	6.18m	6.42m	7.37m

2005 & 2006 results are calculated in accordance with A-IFRS policies

Returns to shareholders

Dividends per share (¢)



- Dividends remain fully franked @ 30% tax rate
- Dividend payout ratio is at the upper end of the stated target range – being 60-80% of Operating Profit after Tax

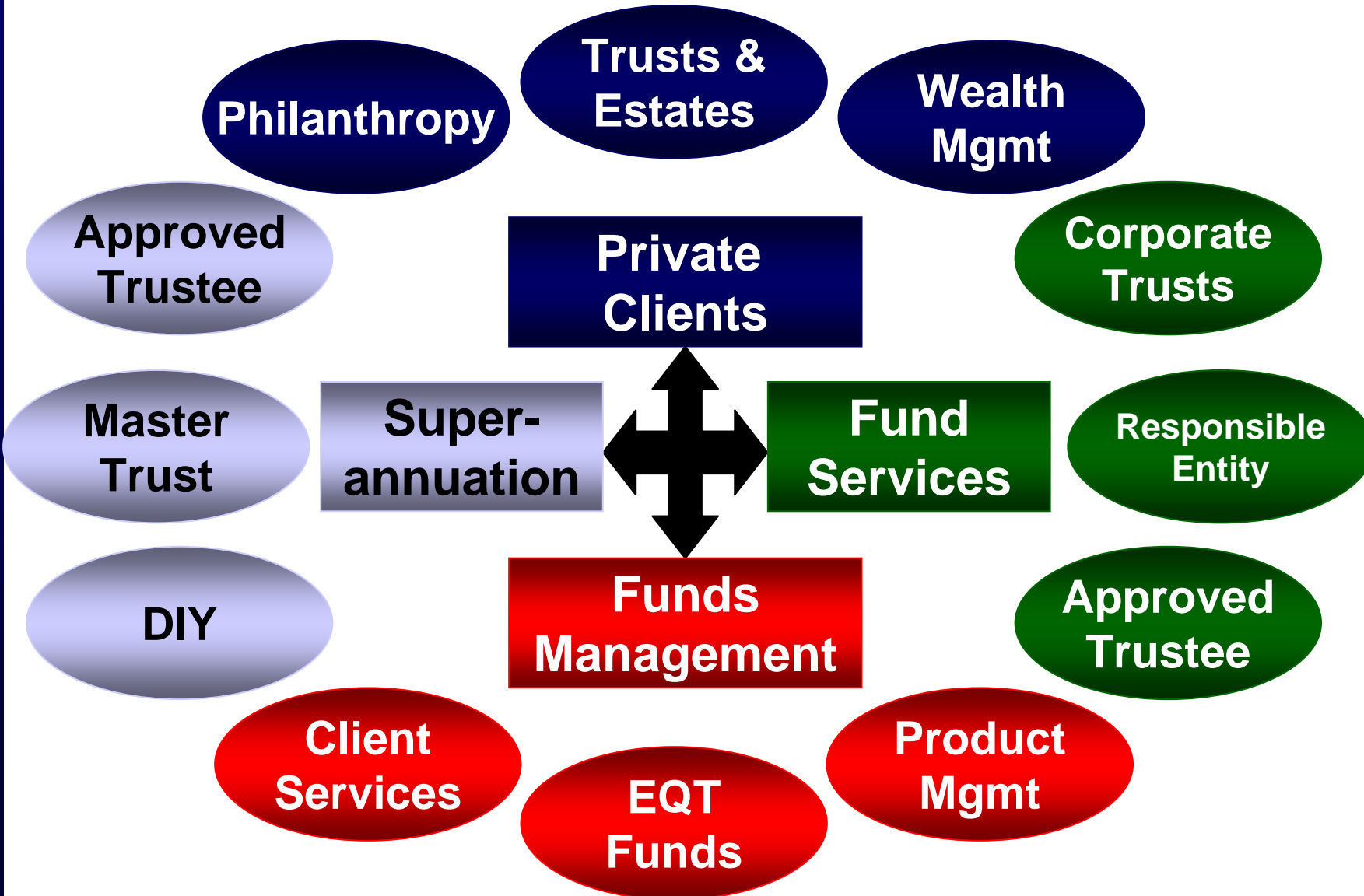
Operating margin

	2004	2005	2006		2005 vs 2004	2006 vs 2005
Operating revenue	\$16.8m	\$19.8m	\$24.8m	→	+18%	+25%
Operating expenses	\$13.7m	\$15.6m	\$18.2m	→	+14%	+16%
Operating profit	\$3.1m	\$4.2m	\$6.6m	→	+36%	+58%
Operating margin	18.4%	21.2%	26.8%			

- Margin growth derived mainly from revenue growth
- Revenue growth across all business units
- Responsible cost control across the company

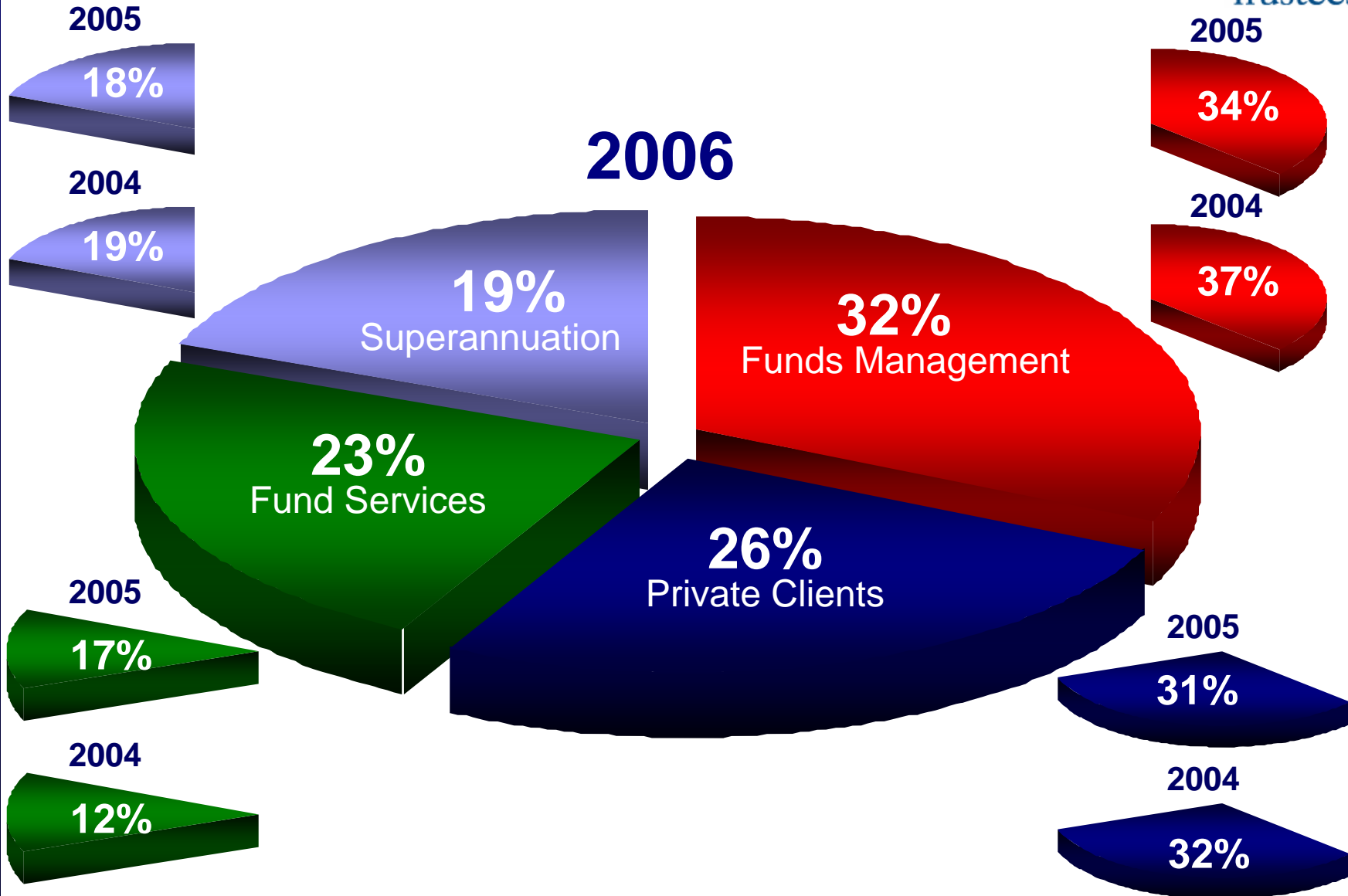
Sources of operating revenue

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Share of operating revenue

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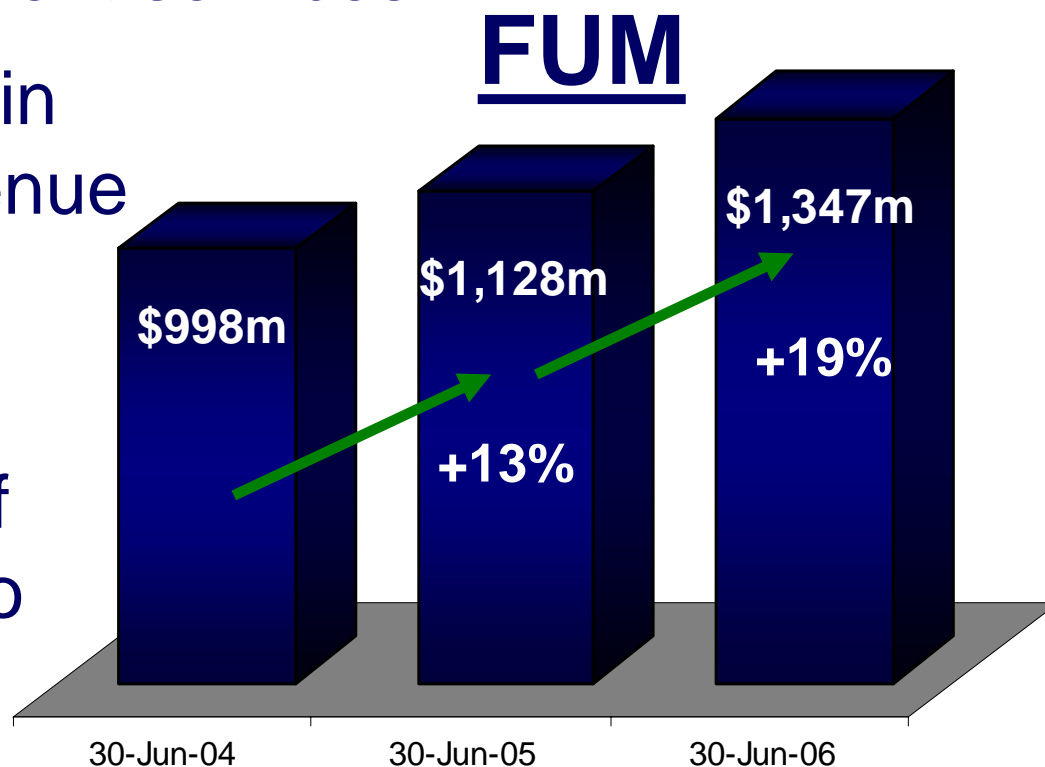


Revenue

Business Unit	Revenue	vs 2005	Comments
Funds Management	\$7.5m	+17.4%	<ul style="list-style-type: none"> • Significant FUM inflow • Targeted distribution strategy • Strong funds performance
Private Clients	\$6.1m	+2.1%	<ul style="list-style-type: none"> • Estates income down (cyclical) • “New” income sources strong • Stronger 2nd half & start to ‘07
Fund Services	\$5.6m	+78.1%	<ul style="list-style-type: none"> • Strong RE growth (new funds) • Consistent fund services business • Approved trustee focus
Superannuation	\$4.4m	+32.5%	<ul style="list-style-type: none"> • Increase in master-trust FUM • Solid operating base • Base for NSW expansion
Other	\$1.8m	+0.0%	
Total	\$25.3m	+23.1%	

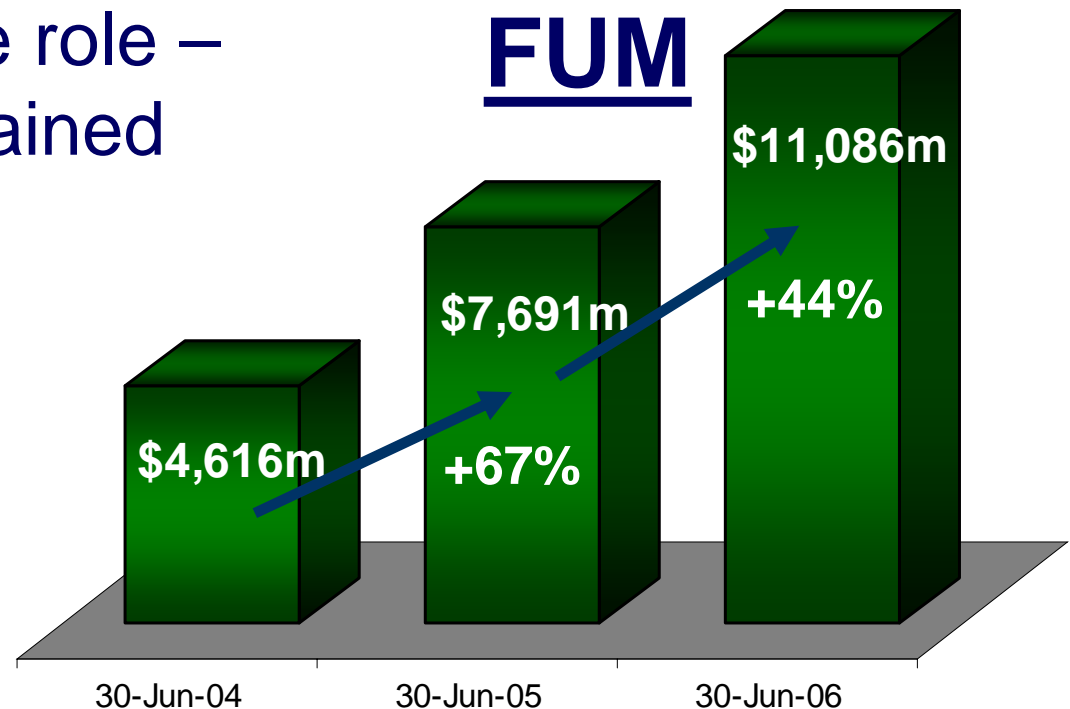
Private Clients

- Strong asset growth – managed by in-house investment management team
- Increase in “new” sources of revenue – specifically wealth management services
- Cyclical decline in “traditional” revenue – eg: estate management
- Stronger 2nd half and good start to 2007



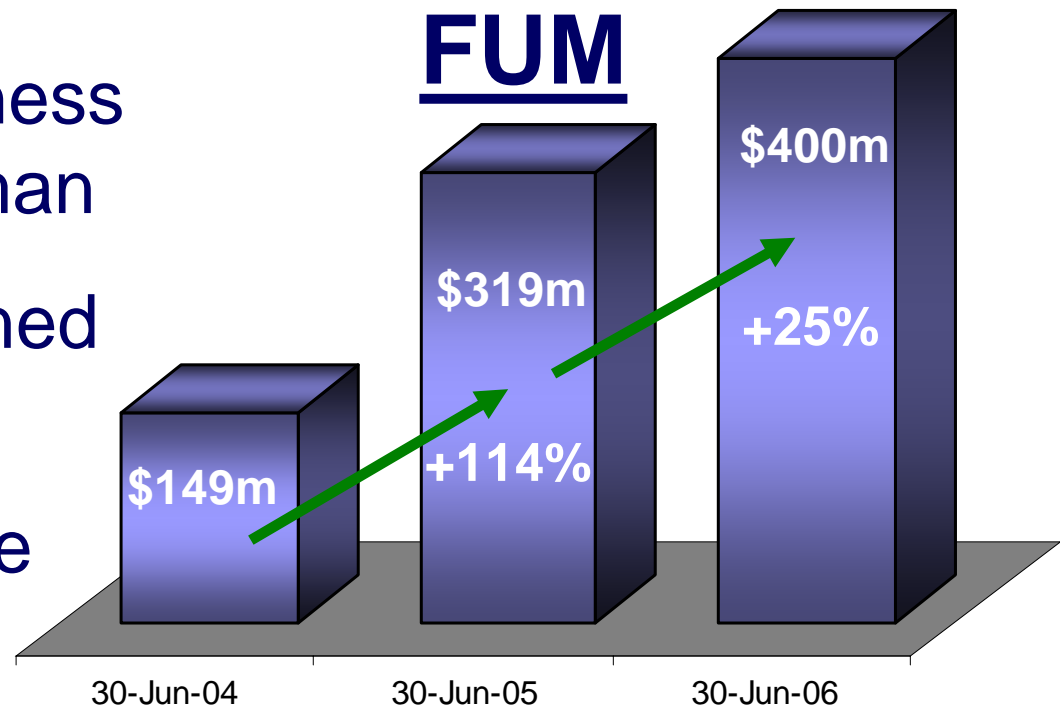
Fund Services

- Growth through strong increase in Responsible Entity (RE) appointments – specialist skill set
- Now 20+ managers as RE clients
- Focus also on approved trustee role – RSE licence obtained



Superannuation

- Acquisition of Wealthpac superannuation master trust completed in February
- Solid FUM growth based on distribution focus
- New Managing Director appointed in June
- Founder of business becomes Chairman
- RSE licence gained
- Relaunch of DIY product to Private Clients



FUM numbers reflect Wealthpac superannuation master trust only

Support services



- Continued people focus – attracting and retaining the right staff
- Development of executive and management teams – identification and use of talent
- Full IT systems integration across business
- Marketing focus – increasing brand presence
- Process improvement to support growth in all business lines

Positioning

Well positioned for growth

Superannuation guarantee	<ul style="list-style-type: none"> • 9% mandated • Favourable tax changes • Master-trust & RSE exposure
Ageing population	<ul style="list-style-type: none"> • Focus on wealth management • Need for trusted advisors • Increasing complexity of estates
Funds management	<ul style="list-style-type: none"> • Spread of asset classes • Mix of globals and boutiques • Sound investment performance
Skill base	<ul style="list-style-type: none"> • Demand for specialised RE and fund service / corporate skills
Size	<ul style="list-style-type: none"> • Small enough to be flexible • Large enough to generate scale

Balance Sheet

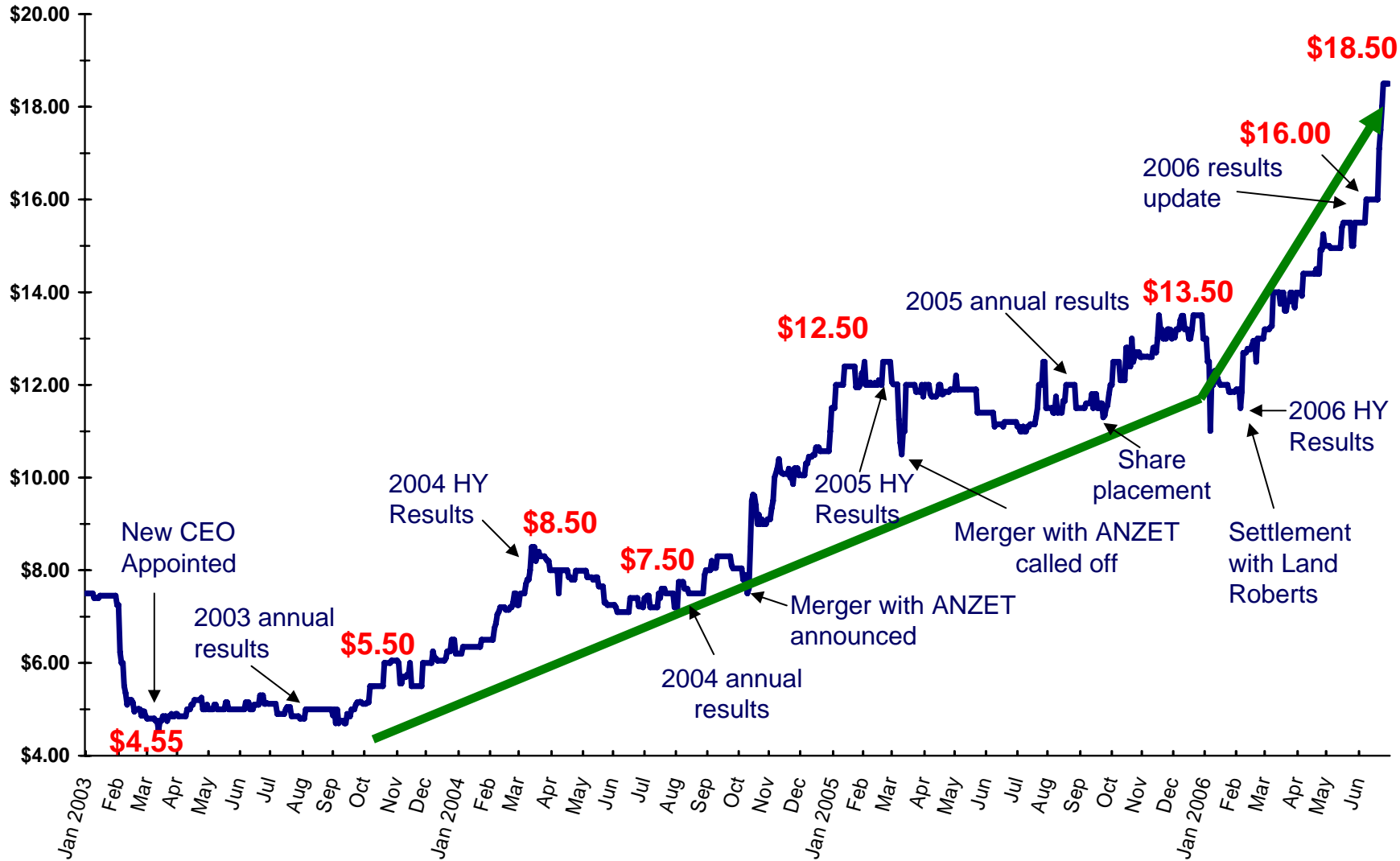


- Shareholders funds up \$14.7m to **\$36.4m**
- Acquisition cost of Wealthpac reflected as intangible asset
- Investment portfolio reflects unrealised gains of \$3.4m (vs \$2.9m at Jun 05) – included in investment revaluation reserve
- Reserve requirements more than adequately met through net asset position and liquid reserves

Share price



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Strategy update



- Company looking to grow through merger and / or acquisition opportunities
- Capital / free cash balance remains strong
- Internal resources devoted to identifying growth opportunities
- Focus on right opportunity – will not pursue unless benefit is anticipated for stakeholders
- Organic growth prospects remain strong
- Executive and staff focussed on improving growth profile

Summary



- Very good all-round performance in 2006
- Strong growth in Responsible Entity business – and ongoing inquiry
- Funds Management FUM inflow resulting from sustained distribution focus
- Some cyclical weakness in Private Client area but business is on a solid platform with diverse sources of revenue
- Solid growth from Superannuation platform – seeking benefits of further integration
- Looking to external growth opportunities in 2007

