

2008 Annual General Meeting
12 November 2008
Welcome

2008 Annual General Meeting

Chairman's Address
Mike Fitzpatrick

Managing Director's Address
David Cooper (Executive Director)
Mark Burgess (CEO)

Formal business

Questions

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Chairman's Address
Mike Fitzpatrick

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Managing Director's Address
David Cooper Executive Director
Mark Burgess CEO

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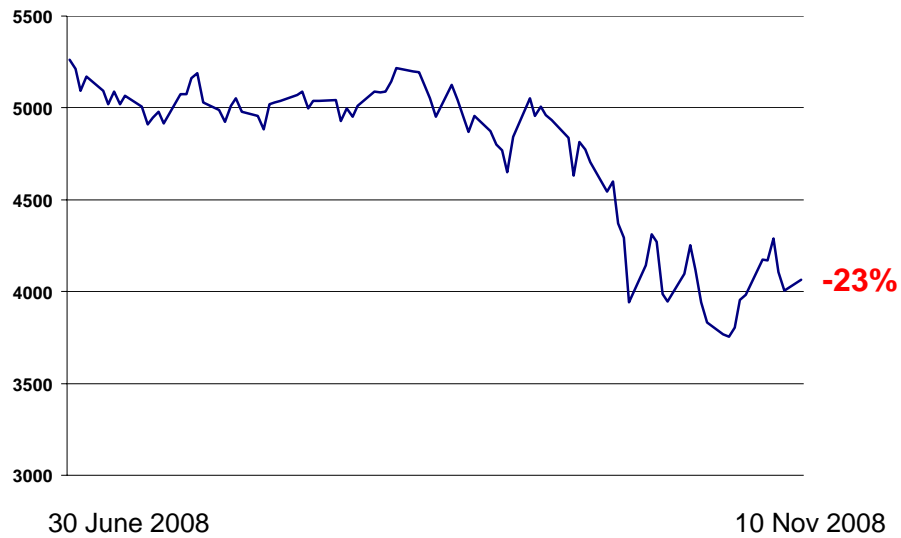
2008 Annual General Meeting

1. Current pressures
2. Business update
3. Introduce Mark Burgess

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Current pressures

S&P ASX All Ordinaries Index



Mixed fortunes

- ↘ 40% fall in equity markets
- ↘ Investment cycle will hurt profitability
 - Revenue impacted by FUM fall
 - Some outflows from retail
 - Cost of enhancing investment capability (Headcount)
 - Product seeding – mark to market losses
- ↗ Institutional inflows - new clients
- ↗ Investment performance – track record

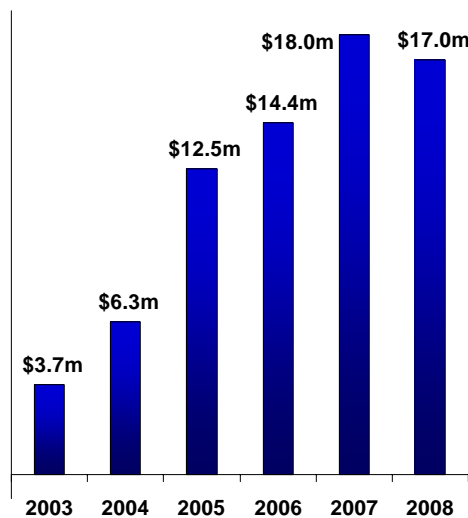
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Business update

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Net profit after tax



Variables

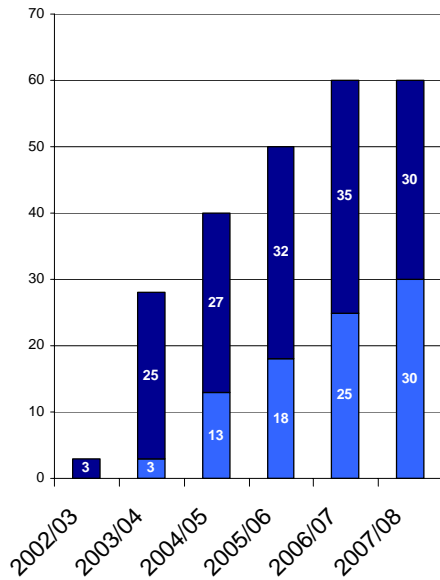
- Net new business
- Market movement
- Investment performance

Funds under management have been impacted by the market fall and we therefore expect this to be reflected in our earnings, subject to the other variables discussed today

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Dividends per share



Expecting a lower dividend in 2008/09

Capital management:

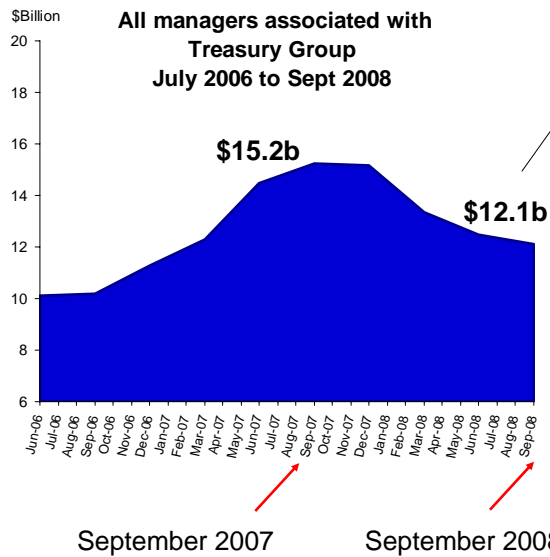
The buyback remains open but we are conserving cash as we assess opportunities

The balance sheet remain strong

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Funds Under Management



Flows

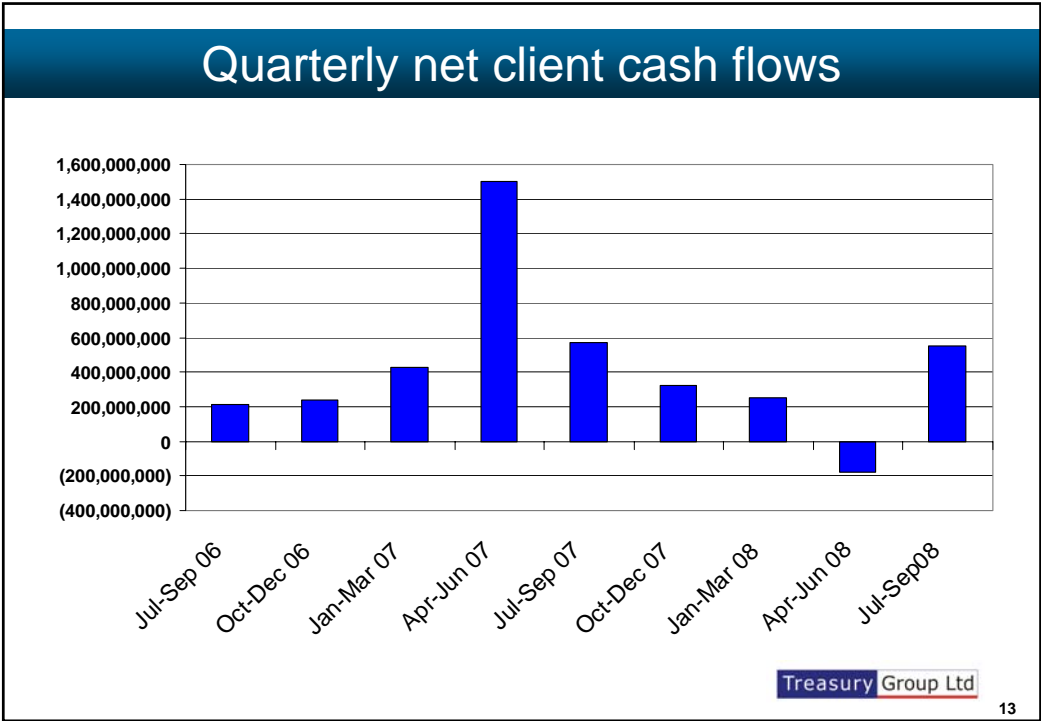
- TAAM
- ORION
- GVI
- RARE
- CANNAE
- IML

September 2007

September 2008

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Headcount – all companies

	2007		2008
Investment	44	+8	52
Support	43	+5	48

Cannae
GVI
TAAM
IML

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ORION
asset management

TREASURY ASIA ASSET MANAGEMENT

CANNAE
Capital Partners

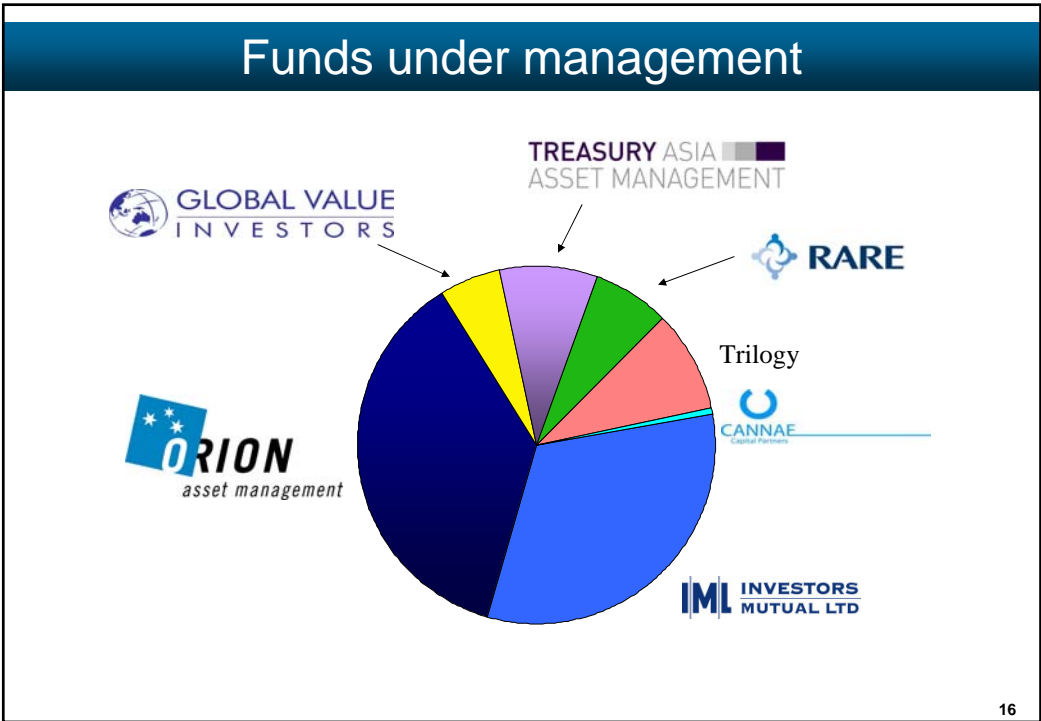
RARE

IML INVESTORS
MUTUAL LTD

GLOBAL VALUE
INVESTORS

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Diversification

Funds under management at 30 June

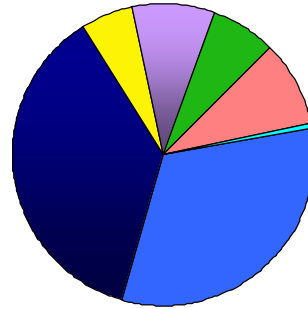
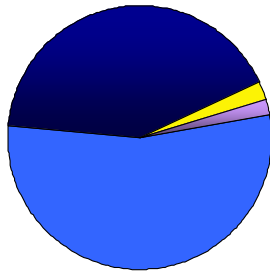
2006

\$9.9 billion



2008

\$12.1 billion



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Product lines

- ✓ Australian equities
- ✓ Global equities
- ✓ Asian equities
- ✓ Global listed infrastructure
- ✓ Emerging markets
- ✗ Structured products
- ✗ Hedge funds
- ✗ Fixed income
- ✗ Mortgage funds
- ✗ Property
- ✗ Quantitative – black box
- ✗ Private equity

Some of these areas are under consideration



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Support services



**BOUTIQUE
FUND
MANAGERS**

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- Capital

Treasury Group Investment Services

SERVICE PROVIDER

- Risk management
- Compliance
- Human Resources
- Operations
- Administration
- Accounting
- Marketing
- Joint purchasing (including IT services)
- Responsible entity

TG Investment Funds

Client location



1. Added skills to the investment team
2. Some ratings downgrades due to staff turnover
3. Marketing to the institutional market
4. Value style well positioned
5. Relative performance exceptionally good in the bear market

1. Another year of solid performance
2. Strong investment team and support staff
3. Client cash flows positive
4. Blue chip reputation
5. Successful link up with Trilogy Global Advisors



1. Strong product offering attracted new clients
2. Added to the investment team and support staff / Singapore office
3. Volatile markets added some challenges
4. Operating in a strong economic region - Asia



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1. Strong product offering attracted new clients
2. Added to the investment team and support staff.
3. Retail ratings remain very good
4. Moved into new offices in 2008
5. Starting to approach institutional clients with a very good four year track record

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1. Growing interest in listed infrastructure
2. Canadian retail alliance working well
3. Added to the investment team and support staff
4. Moved into new offices in 2008
5. Building a presence in the retail market

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1. Strong product offering
2. Development has been slow due to volatile markets and resulting investor sentiment
3. Three institutional clients and two schemes
4. Just past first anniversary

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Compulsory superannuation

Year end 30 June 2008

\$1.17 Trillion

Superannuation guarantee is 9%pa

The average default asset allocation:

→ Australian equities	26%
→ International equities	20%
→ Listed property	4%
→ Australian fixed interest	22%
→ International fixed interest	5%
→ Cash	15%
→ Other	6%

Source: APRA

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Marketing

- Brand for quality and integrity
- No troubled assets or products to defend
- Local manufacturer exporting to offshore clients
- Watching capital movements carefully
 - Sovereign wealth funds
 - Pension funds
 - Government investing
- Seeding new products

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New boutiques

- Recently announced plans remain under consideration but will not be opening in the near term
- Two interesting opportunities under assessment

Summary

- Short term profitability lower
- Business model remains strong
- No debt (net cash)
- Marketing reach continues to grow
- Looking carefully at opportunities

Gratitude

A special note of thanks to the talented people who contribute to the company:

- ★ The team that are there to protect us in **risk and compliance services**
- ★ The **finance and accounting** team
- ★ **Human resources** and **operations** staff
- ★ Our outsourced service providers (**Tango Technology, Arrowtech** and **RBC**)
- ★ The amazing **marketing** staff across all companies
- ★ **Support** staff across the group
- ★ The Treasury Group **executive team**
- ★ The enormously talented **fund managers** and **investment analysts**

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Executive

The Executive Team:

Mark Burgess – CEO, Treasury Group

Christine Feldmanis – Managing Director, Treasury Group Investment Services

Joseph Ferragina, CFO

Rob Sullivan, Head of Distribution

New role:

David Cooper - Executive Director

Director, Treasury Group,

Director, Orion,

Director, TAAM,

Director, GVI,

Director, Cannae

Assessing new boutique opportunities

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Mark Burgess

Business model strength

- Strong balance sheet
- Quality range of boutique management partners
- Avoided leveraged and lower quality areas of the industry
- High levels of service provided to boutique partners
- Working with partners to gain opportunities in the current environment

Asset market downturn

- Australian asset management industry will consolidate
- Flow will slow with some outflows in short term until industry regains confidence
- Investment talent will look for move to strong business models
- Opportunity for Treasury to lead the industry consolidation

Outlook

- Taking the opportunity to identify new opportunities for boutique partners
- Ensure the business is positioned for any further correction and future upside
- Continue expansion of clients globally

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Formal Business of the Meeting

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Item 1

Consideration and discussion of
financial statements and reports

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Item 2

Re-election of director – Peter Kennedy

Proxies have been received in respect of this resolution as follows:

• For	4,775,326
• Against	1,970
• Abstain	11,810
• Proxy's Discretion	1,627,906

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Item 3

Appointment of Auditor

Proxies have been received in respect of this resolution as follows:

• For	4,775,516
• Against	1,290
• Abstain	11,300
• Proxy's Discretion	1,628,906

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Special Business

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Item 4

Adoption of remuneration report

Proxies have been received in respect of this resolution as follows:

- | | |
|----------------------|-----------|
| • For | 4,581,038 |
| • Against | 94,876 |
| • Abstain | 126,295 |
| • Proxy's Discretion | 1,614,803 |

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Questions?

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Thank-you

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IMI INVESTORS
MUTUAL LTD

ORION
asset management

CANNAE

GLOBAL VALUE
INVESTORS

RARE

TREASURY ASIA
ASSET MANAGEMENT

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