

21 January 2009

TREASURY GROUP LIMITED FUNDS UNDER MANAGEMENT and HALF YEAR GUIDANCE AS AT 31 DECEMBER 2008

Treasury Group Limited's (Group) total Funds under Management (FUM) as at 31 December 2008 was \$10.35 billion, representing a decrease of 14.5% in FUM during the quarter ended 31 December 2008.

Over the December quarter the FUM decline of 14.5% compares with a decline of 20.99% in the Australian share market (as measured by the S&P ASX All Ordinaries) and declines in global share markets.

During this period however, the Group experienced net outflows of \$253.26 million and paid \$0.88 million in distributions.

Our boutique managers have performed well against benchmarks, especially the value based boutiques, over the past quarter and twelve months.

As we outlined at the AGM in November, our profits for the half year to 31 December 2008, have been negatively impacted by the downturn in equity markets.

We expect a Net Profit After Tax (before mark to market losses) of between, \$4.15 million and \$4.65 million. Mark to market losses are expected to be approximately \$1.47 million (after tax).

The investments relate to investment products that have been seeded by various companies in the Group as part of a commercial and strategic initiative to launch and assist in the development of investment products.

The Company is committed to paying an interim dividend however it will not follow its usual policy of paying 50 percent of the previous year dividend in light of the fall in profits as noted above. The interim dividend will be declared on 25 February 2009.

Our balance sheet remains debt free giving us the opportunity, in the current market environment, to explore further business opportunities.

We look forward to providing a full business update to shareholders with the upcoming half year results announcement on 25 February 2009.

The Directors of Treasury Group wish to thank all the staff within the Group for their continued efforts.

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Treasury Group's FUM represents the total funds managed by Investors Mutual Limited (IML), Orion Asset Management Limited (Orion), Global Value Investors Limited (GVI), Treasury Asia Asset Management Limited (TAAM), RARE Infrastructure Limited (RARE) and Cannae Capital Partners Ltd. It also includes funds managed by Trilogy Global Advisors, the New York based boutique asset management business, with whom Orion has a strategic alliance and for whose pooled funds Treasury Group Investment Services Limited acts as responsible entity

For further information

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