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Australian Stock Exchange
Continuous Disclosure Area

Via: E Lodgement

Update on IML and Cannae Businesses

Treasury Group (TRG) is pleased to announce that Hugh Giddy from Cannae Capital Partners (Cannae) will be working with the Investors Mutual (IML) investment team (refer attached IML press release).

The Cannae business will take on a sub-advisory role in the exclusive management of funds for IML and institutional clients. To reflect this exclusive commercial arrangement, the Cannae business will alter its name to be more closely aligned with IML (the new name will be announced shortly) and will no longer seek business under the Cannae brand.

In addition we are completing an equity structure to allow the investment teams of both Cannae and IML to participate in the growth of assets under management through this sub-advisory arrangement with Cannae. Investment team members (including Mr Tagliaferro of IML) will hold 60% in the Cannae business (to be renamed) and Treasury Group 40%. This is in line with the customary Treasury Group business model whereby the investment staff hold majority stakes in the business.

We believe that this new structure will allow the investment team to be highly incentivised in the growth and management of funds on behalf of clients of IML.

It is intended that the current debt held by TRG in Cannae will be converted to equity.

Treasury Group will therefore hold a 40% stake in the investment business managing IML funds and 47.5% in the existing IML business. We do not expect this alteration in business structure to materially change the earnings received by Treasury Group from its relationship with the combined group.

For further information, please contact:

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MEDIA RELEASE

January 27, 2010

Hugh Giddy to join forces with Investors Mutual

We are pleased to announce that Hugh Giddy from Cannae is joining Investors Mutual (IML).

Hugh will join IML as Senior Portfolio Manager and Head of Research. In addition, the three analysts from Cannae will join a combined investment team with IML. Hugh will take responsibility for the management and oversight of the research process and team management. Anton Tagliaferro will continue to be lead portfolio manager for IML's funds.

In announcing the addition of Mr Giddy and the new investment staff, Mr Tagliaferro, Investment Director of IML said, "I have known Hugh for a number of years, we have very similar investment styles and I have a very high regard for his investment skills. Hugh is an outstanding talent who will provide leadership and bolster the experience level of the investment team."

In discussing the move to join IML, Mr Giddy said, "I am excited at the opportunity for myself and my colleagues to join one of Australia's premier value houses. I look forward to contributing my energy and passion for investing to the IML team, and to learning from a seasoned investment professional."

Anton and Hugh will jointly brief key clients, and will both present at the forthcoming IML national adviser roadshow.

For further information, please contact either:

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