

Treasury Group Ltd

ABN 39 006 708 792

Investor Presentation

Year end June 2005

1. Overview of current investments

Structure



- ✓ Treasury Group is in the business of starting, supporting and growing asset management businesses.
- ✓ This is primarily focused on supporting talented investment professionals run their own boutique investment business.

* This assumes options exercised by staff

Treasury Group Ltd



Australian equities

Two mainstream managers in Australian equities with different investment styles

IML INVESTORS
MUTUAL LTD

ORION
asset management

A small cap manager and a micro cap manager in Australian equities

Armytage
PRIVATE
PROPERTY THROUGH PRUDENCE AND PRESCIENCE

confluence
ASSET MANAGEMENT LTD



International equities

A value manager in Global equities

 **GLOBAL VALUE**
INVESTORS

A manager specializing in Asia Pacific equities

TREASURY ASIA 
ASSET MANAGEMENT



LIC

A listed investment company

Premium
Investors Limited

Value manager in Australian equities



6 of the key staff in a team of 10



Anton Tagliaferro, Paul Frost, Simon Conn



Monik Kotecha, Andrew King, Jason Teh

Investors Mutual (IML) has grown steadily over the last 8 years to become a well regarded Fund Manager with a consistent 'quality and value' approach to managing client's funds.

IML aims to provide clients with true to label 'value style' investment funds. IML seeks to buy companies that have a competitive advantage, recurring earnings that can grow over time, and are run by capable management.

In the past 12 months IML launched a new product: IML Diversified Value Fund.

Web site: www.iml.com.au

Growth manager in Australian equities

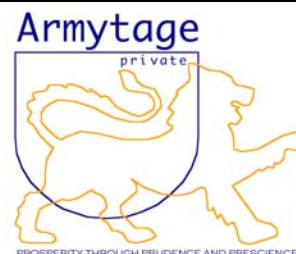


Orion Asset Management is an Australian equities manager staffed by four highly rated managers, led by Tim Ryan (standing on the left). Orion enjoys a solid reputation among institutional investors and is developing a retail presence through an alliance with Challenger Financial Services.

Small and micro cap managers in Australian equities



Confluence is a boutique funds management business specialising in smaller companies. It began operations in July 2003 and has grown successfully through exceptional investment performance and by attracting new clients. [Confluence is led by Campbell Boag as the Chief Investment Officer. Campbell has a long and distinguished track record in funds management specialising in Australian smaller companies.]



To date, Armytage has specialised in customised discretionary portfolio management for wholesale clients who favor long-term investments and value exceptional personalised service. Armytage's appointment as investment manager for the Armytage Strategic Opportunities Fund means that retail clients can now have access to a product managed with Armytage's unique investment style. [The company was established in 2000 by Lee IaFrato who heads the portfolio management team.]

Treasury Group Investment Services Limited is the responsible entity for the Armytage Strategic Opportunities Fund. The product disclosure statement for this fund can be obtained by contacting Armytage private Limited or at www.armytage.com.au. Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Funds.

Managers in International equities

TREASURY ASIA 
ASSET MANAGEMENT



GLOBAL VALUE
INVESTORS

TAAM was founded in July 2005 by Peter Sartori and Treasury Group Ltd to provide investment management in Asia Pacific equities. TAAM, being a brand new business, is currently meeting with potential foundation clients both in Australia and overseas.

GVI is a specialist international equities manager established in 2004 by its key investment staff, Treasury Group Ltd and Investors Mutual Ltd. GVI is a bottom-up value manager that aims to provide investors with earnings certainty by maintaining a strong bias toward high dividend paying international stocks.

Key people:

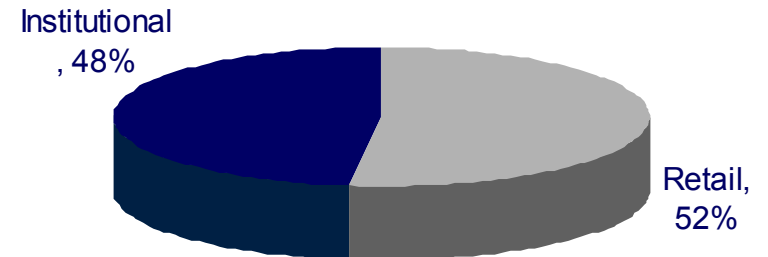
Roy Chen, Senior Portfolio Manager – Over 20 years experience
Charles Price, Portfolio Manager – Over 20 years experience
Matthew Saddington, Portfolio Manager – Over 8 years experience
Melinda White, Equities Analyst – Over 4 years experience
Matthew Hegarty, Equities Analyst – Over 4 years experience
William Tomac, General Manager – Over 13 years experience

Client base

Clients of our boutiques include

- ✓ Retail investors
- ✓ High net worth individuals
- ✓ Corporations
- ✓ Industry Funds (eg. CBUS, HESTA, STA, REST)
- ✓ Superannuation Funds
- ✓ Public institutions (eg. Funds SA, Commonwealth Superannuation)
- ✓ Platforms (over 80 use our boutiques)
- ✓ International investors (an important and increasing share of new business)

Breakdown of our overall client base



2. The business model

A partnership approach

The boutique fund manager



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- ✓ **Corporate governance / compliance**
- ✓ **Risk Management**
- ✓ **Accounting / IT / HR**
- ✓ **Group buying power / Synergies**
- ✓ **Marketing**

The portfolio manager and analysts

- ✓ **Investment skills**
- ✓ **Reputations**

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Economies of scale

One of the key advantages of the Treasury Group model is the group buying power

Higher quality services and significant savings are achieved.

Examples:

- ✓ Insurance negotiations and umbrella contracts for PI, D&O etc
- ✓ Portfolio accounting services provided by Royal Bank of Canada
- ✓ Outsourced information technology contracts
- ✓ Legal advice
- ✓ Lease negotiations
- ✓ Auditors

The key positive aspects to our business

- ✓ Quality people
 - ✓ Entrepreneurial environment
 - ✓ Solid balance sheet
 - ✓ Reliable and growing dividend
 - ✓ Legislated superannuation market
 - ✓ Competitive performance history
 - ✓ Unique business model
- ✓ Diversification benefits:
 - Boutiques
 - Investment styles
 - Clients
 - Investment markets
 - Assets
 - People

The key risks to our business

Risk

Our response

**Market
downturn**



Something we cannot predict. Protection comes from having bottom up stock pickers who by design look to avoid the poor performing stocks. Our business is diversified across a wide range of investment styles and we have an increasing exposure to international markets.

**Regulatory /
compliance**



Treasury Investment Services is a wholly owned subsidiary of TRG is where the legal risk and compliance people are employed. Having dedicated, quality, staff employed in this area is critical to all our businesses.

Key man



Staff ownership is fundamental to the business model. In addition succession planning and teamwork assist in managing key man risk.

**Poor
investment
performance**

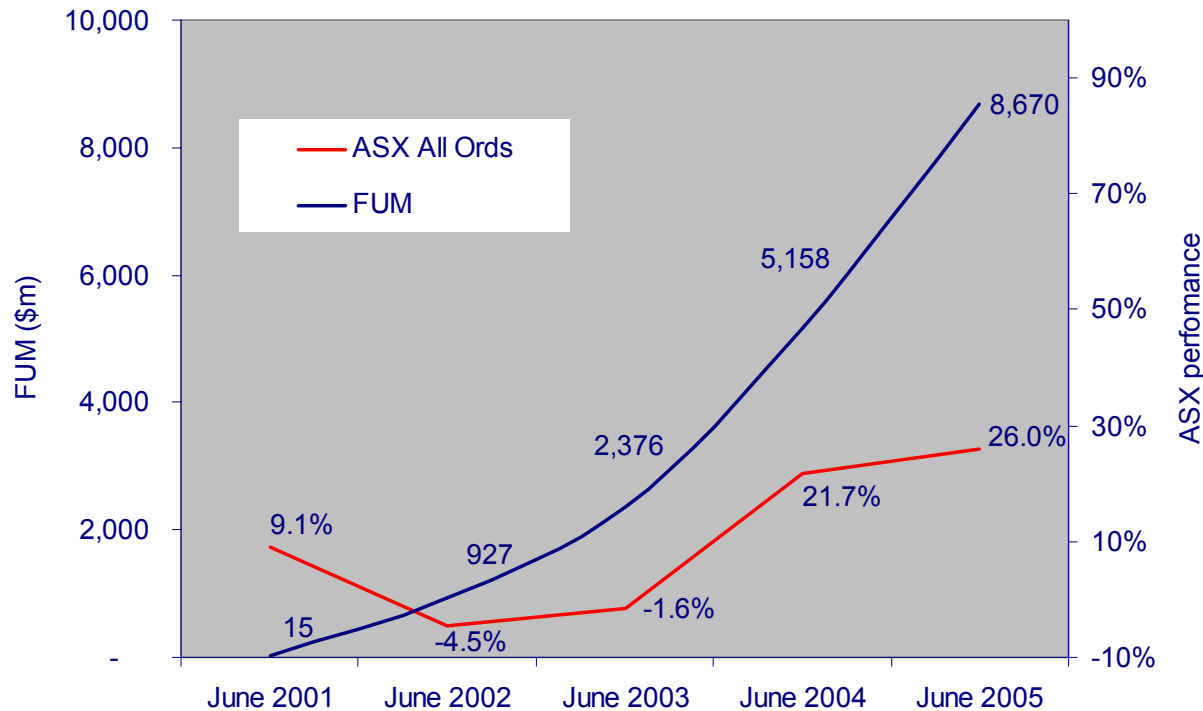


All managers can suffer periods of poor performance during market cycles that don't suit their investment style. The most important aspect to manage with regards to performance is to ensure each manager remains true to their stated approach.

3. Funds under management and future growth opportunities

Funds Under Management and performance of the share market

FUM vs. performance of the share market



Comments

- ✓ There appears to be no correlation between the growth in FUM and market performance, to date.
- ✓ That said, the market performance does have a range of positive and negative effects on the business.

Important factors include:

- ✓ **Expansion away from Australian equities.** – TRG has expanded into international equities with GVI and TAAM. Although early days the market response has been encouraging.
- ✓ **Investment style** – managers true to their style tend to attract loyal clients in any market environment. The loyalty is supported by a clear and open communication from each manager.

Growth opportunities

New product initiatives

IML Diversified
Value Fund

GVI Industrial
Share Fund

TAAM Total Return
Fund

Armytage Special
Opportunities Fund

Areas we are not represented but remain under consideration

Property

Fixed Income

Infrastructure

Private Equity

Please see note on following page regarding the new products mentioned above

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New products

Notes

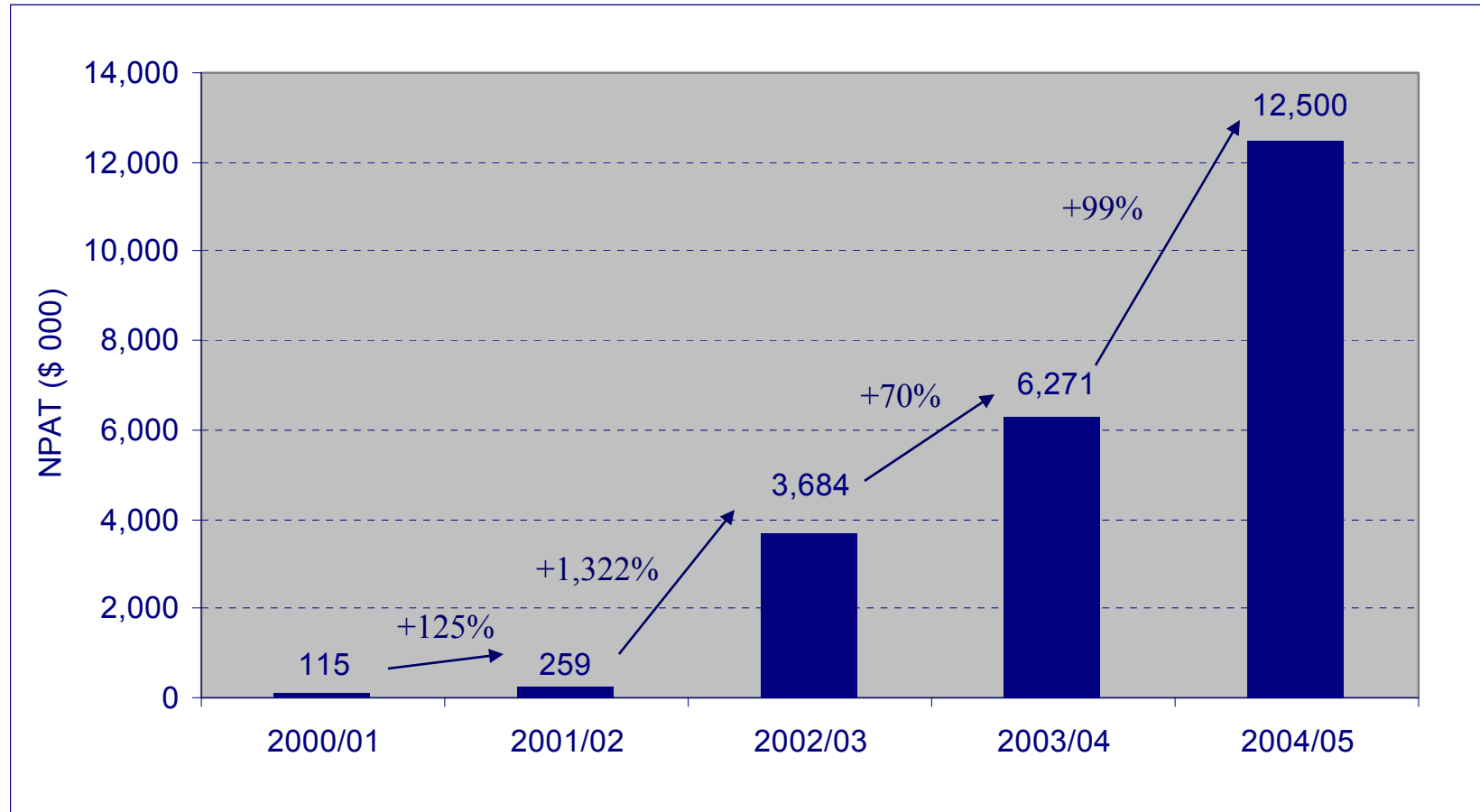
Treasury Group Investment Services Limited is the responsible entity for the GVI Global Industrial Share Fund and the Armytage Strategic Opportunities Fund. The product disclosure statement for the GVI Global Industrial Share Fund can be obtained by contacting Global Value Investors or at **www.gvi.com.au**. The product disclosure statement for the Armytage Strategic Opportunities Fund can be obtained by contacting Armytage private Limited or at **www.armytage.com.au**. Investors Mutual Limited is the responsible entity for the IML Diversified Value Fund. The product disclosure statement for IML Diversified Value Fund can be obtained by contacting Investors Mutual Limited or at **www.iml.com.au**. Potential investors should consider the product disclosure statement before deciding whether to invest, or continue to invest in the Funds.

4. 2005 FY results

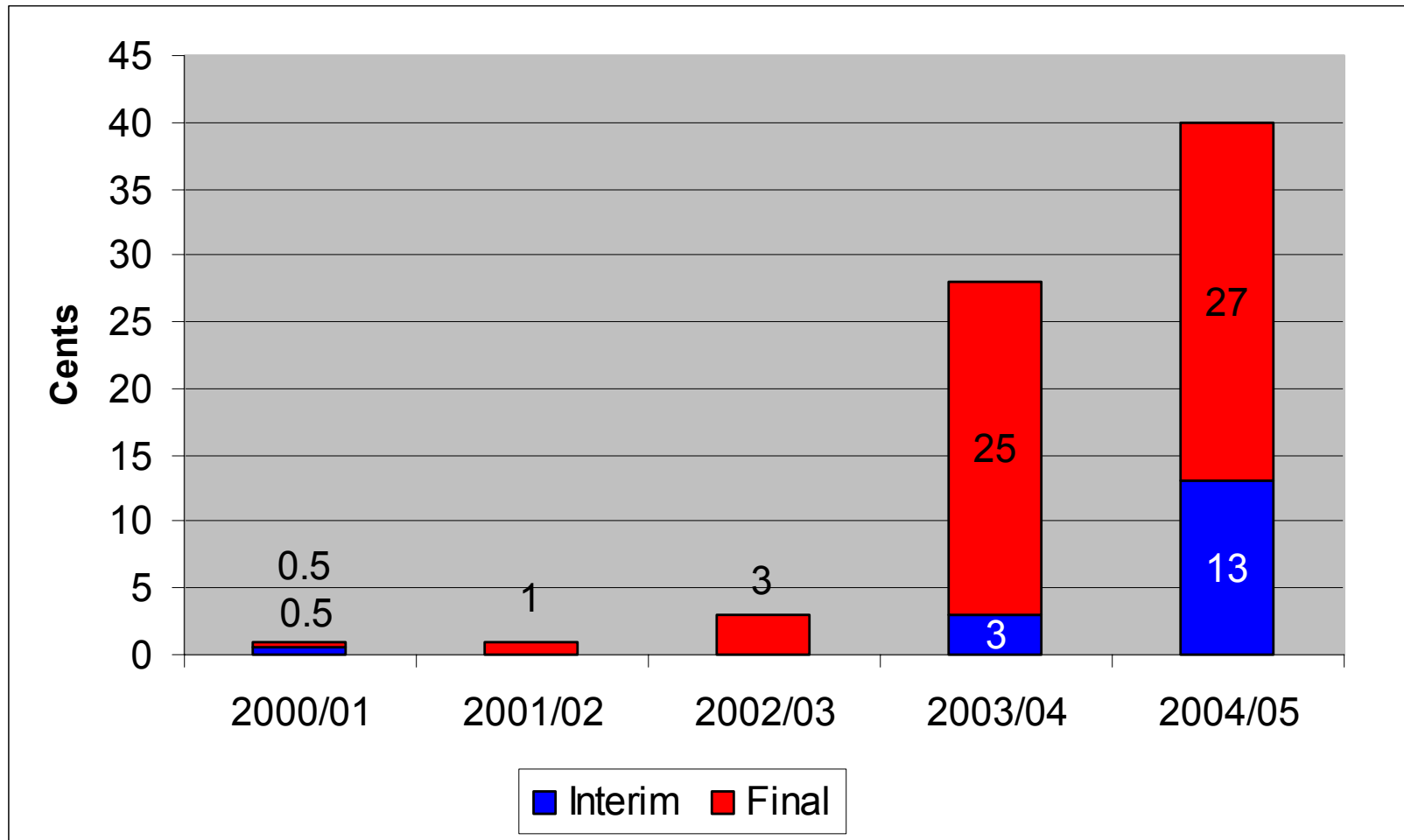
Financials

	Fin year end June 2004	Fin year end June 2005
Revenue	\$30,740,653	\$46,653,643
Group NPAT	\$6,270,888	\$12,520,600
TRG NPAT & OEI	\$3,684,340	\$13,000,257
Diluted EPS	31.8 cents	57.7 cents
Interim Dividend	3 Cents - \$528,728	13 cents - \$2,820,990
Final Dividend	25 Cents - \$5,132,898	27 cents - \$5,943,391
Total for the year	28 cents - \$5,661,626	40 cents - \$8,764,381
Net Current Assets	\$16,358,544	\$29,160,193

Net profit after tax



Dividends Per Share



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