

3 September 2008

Fiducian Portfolio Services Limited Annual Results

BUSINESS PERFORMANCE – Continued growth, 18% net profit increase

Fiducian Portfolio Services Limited (ASX: FPS), a leading Australian non bank aligned wealth management organisation, is pleased to report continued growth in net consolidated profit after income tax to \$6.3 million, an increase of 18% on the prior year of \$5.3 million, in spite of difficult external market conditions globally over the 2007-08 financial year.

As a result, the Directors have declared a fully franked final dividend of 6.5 cents per share, which will bring the total fully franked dividend declared for the 2008 financial year to 13 cents, a significant increase over the 10.5 cents of the previous year.

Net cash flows of \$6 million were achieved from operating activities (2007: \$6.26 million). After capital items, share buy back and dividend outlays, net cash increased by \$0.04 million (2007: \$1.1 million) to remain almost constant at \$10.9 million.

FINANCIAL PLANNING – network strategy to continue

Practice Development Managers based in Sydney, Melbourne and Brisbane continue to support and grow the adviser network throughout Australia. This support and assistance to financial advisers has led to higher levels of inflows per adviser and so this strategy will continue.

Inflows increased once again over the previous year with franchisees comprising 41% of total inflows (2007: 49%).

It should be noted that diversification of total inflows to Fiducian in the form of increased badge administration and wholesale investment mandate arrangements has resulted in the above year on year change in percentage contribution from the financial planning network to total inflows.

INVESTMENT MANAGEMENT – consistent steady performance

Fiducian is a multi asset, multi style investment manager and designs funds that seek to deliver above average returns over the short to medium term and by consistent averaging, tends to deliver superior returns, compared to their peers, over the longer term.

Blending of underlying portfolios within asset sectors and tilts towards different manager's styles, depending on the economic cycle also has the potential to reduce volatility.

In addition, the Investment Team and Investment Committee remain confident that the Fiducian philosophy of liquidity and transparency will also benefit investors.

Implementation of our processes has achieved consistently steady results over the long term. As a result, Fiducian continues to grow its role as the investment manager for clients of advisers, a number of small wholesale mandates by notable charities, endowment funds and some high net worth individuals.

FUTURE OUTLOOK – expanding revenue base

Managing Director, Indy Singh said "We expect profit to grow in coming years as management continue to focus on expanding the range of business activities and on realizing the full potential of Financial Planning, Platform Administration, Investment Management and Information Technology, whilst controlling expenditure".

The business plan for 2009 financial year looks at expanding the revenue base by further utilizing all segments of the Fiducian business model as a provider, not only to the tied distribution network, but also to other external parties in Australia and where possible, overseas. Acquisitions that can be easily assimilated and absorbed within the Fiducian culture will continue to be assessed as and when available.

Ends.

For further information, please contact

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