

26 February 2009

# Fiducian Strong Balance Sheet

Half-year audited results to 31 December 2008

- Consolidated profit after tax of \$2.011 million
- Strong, debt-free balance sheet
- Half-year fully franked dividend at 3.75 cents per share; payable 16 March 2009
- On-market share buy-back absorbed excess cash and provided additional liquidity

## **BUSINESS PERFORMANCE – Profitability supported by prudent management**

Fiducian Portfolio Services Limited (ASX: FPS), a leading Australian non bank aligned financial services organisation, has reported a consolidated net profit after tax for the half-year, of \$2,011,000 (31 December 2007: \$3,107,000). Operating revenues fell 21% in contrast to the Australian share market index which has fallen 43% over the same period.

The Directors have declared a fully franked interim dividend of 3.75 cents per share, payable on 16 March 2009. This comes after a fully franked final dividend of 6.5 cents per share in respect of the second half-year to 30 June 2008.

Managing Director, Indy Singh said "The results clearly demonstrate the robustness of our business model in this challenging market. The Fiducian business pillars continue to develop quality product and service offerings, despite the increased market volatility".

The Fiducian business model is unique in that it captures the full value chain of financial planning, portfolio administration, funds management, knowledge processing and IT systems enabling it to grow steadily and profitably. Each business pillar contributes individually and jointly to our superior service offering to our clients.

## MEDIA RELEASE

### **FINANCIAL PLANNING & DISTRIBUTION – continued growth**

Continuing to invest in our Financial Advisers who provide quality financial advice to clients is of paramount importance to Fiducian. Especially during turbulent market conditions, Fiducian recognises the long term benefits of developing the skills and professional aptitude of our Financial Advisers. During this half year, our professional development days and end-of-year Client seminar briefings enjoyed record attendances. These sessions ensure that our Financial Advisers and clients alike are well informed about investment markets and the latest regulations concerning their financial circumstances. This has rewarded us with strong investor loyalty.

Within the half year, Fiducian Business Services commenced operations in offering resource services to small to medium sized independent accounting and tax professionals across Australia, some of whom are within our franchise network. In addition to creating a new source of revenue, it is raising considerable interest in Fiducian from many regional accounting practices that appreciate our support.

### **PLATFORM ADMINISTRATION – decrease due to market falls**

At 31 December 2008, assets under administration in the Fiducian Investment Service and in the Fiducian Superannuation Service were \$964 million (30 June 2008: \$1,195 million). The decrease of 19% over the six months is predominantly due to market falls associated with the current Global Financial Crisis.

### **INVESTMENT MANAGEMENT – consistent performance**

Our distinct Fiducian Funds, built around our in-house Manage-the-Manager Investment system, continue to attract a majority of retail funds placed with us. Together these funds held in excess of \$1.13 billion at the end of December 2008. The Fiducian Ultra Growth Fund was also launched within the half-year in preparation for a future rebound in investment markets.

## MEDIA RELEASE

### **INFORMATION TECHNOLOGY – next generation**

Fiducian Information Technology continues to provide our adviser network with state-of-the-art financial planning software and administration tools and has given Fiducian the ability to control, develop and retain our edge in reporting to clients and financial planners. The new module of our financial planning software, which also provides client relationship management and practice management tools is complete. This next generation software should give our advisers further advantages in the market place and also help attract other quality advisers. It could also allow for the possible export of the Fiducian systems and procedures overseas.

### **FUTURE OUTLOOK – steady**

Profitability has been supported by prudent management of overheads and staff (without the need for redundancies) and a strong debt-free balance sheet. An on-market share buy-back has absorbed excess cash and provided additional market liquidity.

Management expects to generate revenue in coming years from organic growth and external sources that utilise its expertise in platform administration, funds management, financial planning, knowledge processing and IT.

Mr Singh said, "Our focus for the next half year is on further expanding and developing our existing revenue streams through our superior quality products and service offerings".

Ends.

---

**For further information, please contact:**

Christine Howard  
Head of Marketing & Communications  
Fiducian Portfolio Services Limited  
Level 4, 1 York Street, Sydney NSW 2000  
Phone (02) 8298 4621 or Mobile 0410 517 760