



3 March 2015

Fiducian Growth

Half-Year Results to 31 December 2014

- **Debt-free strong balance sheet**
- **Organic growth contributes to normalised EBITDA increase of 26% to \$3,942,000**
- **Further acquisitions**

Fiducian Group Limited (FID) is pleased to report on the consolidated operating performance and wholly owned operating entities (Fiducian Group) with a net profit before tax of \$2,864,000 an increase of 3% than the previous year (December 2013: \$2,793,000). Net profit for the consolidated entity after providing for income tax was \$2,004,000 (December 2013: \$1,855,000). After normalisation for the one-off restructure expenses of \$505,000 the EBITDA increased by 26% from \$3,112,000 to \$3,942,000 over the equivalent period of 2013.

As such the Directors have resolved to pay an interim fully franked dividend in respect of the December 2014 half-year of 4.50 cents per share.

It was reported in the 2014 Annual Report that a restructure of the Fiducian Group would take place. Since listing on the Australian Securities Exchange in 2000 there has been little change in the group structure though the regulatory landscape has undergone significant change with the introduction of new laws focused on governance and the potential for conflicts of interest where a single entity represents a number of stakeholders as in the current Fiducian Group structure. While the Board is confident it has managed such issues and complied with its obligations, the restructure will ensure that the Fiducian Group adheres to “best practice”. The restructure is expected to result in a “one-off” expenditure of around \$550,000 of which \$505,000 has already been expensed in the current period.

FUNDS UNDER ADMINISTRATION

At 31 December 2014, assets under administration in the Fiducian platforms were \$1,107 million, a growth of around 7% over the last six months.

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FUNDS UNDER MANAGEMENT

The Fiducian Funds apply our in-house Manage-The-Manager system of investment. They continue to attract the majority of retail funds placed with us and total around \$1.3 billion (30 June 2014: \$1.2 billion), a growth of 8% over the last 6 months.

Fiducian Funds have performed consistently in their respective categories as we diversify their assets through a range of underlying fund managers to reduce risks and volatility. According to the Selecting Super Survey (31 December 2014), published by the Rainmaker Group, a number of the Fiducian Funds prominently featured in the top quartile of their respective categories.

FINANCIAL PLANNING

The relationship between our salaried and franchised financial planners and their clients remains strong and is founded on quality financial planning advice and strategy.

There has been heightened effort to build the distribution base with quality financial planners. Opportunities to add new franchisees are continuously being progressed and between 1 July 2014 to the date of this report, we have added around \$81 million of funds under advice through new planners to the group and expanded operations. These additions have not contributed to the results of the current half year but are expected to do so in the second half. The Board is supportive of growth by acquisition in the current environment and we have progressed opportunities for acquisition of financial planning practices which we anticipate could be completed before the end of the financial year.

BUSINESS SERVICES

Fiducian Business Services continues to build steady volumes through its accountancy resourcing service and has proven its potential by increasing the profitability of accounting practices that use its services. The potential for this segment to expand through additional acquisitions remains a part of our ongoing strategy.

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INFORMATION TECHNOLOGY

Our Wrap administration software FASTrack is delivering efficiency benefits for our Platform Administration business. A “Straight Through Processing” project that links online reporting to FASTrack has been completed and is due for launch in March 2015. The objective is to make our financial planning software FORCE link up with the administration and reporting system, a much sought after goal in the industry.

Ends.

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About Fiducian

The Fiducian Group is a specialist financial services organisation providing financial planning, funds management, investment platform administration, information technology and accounting /accountancy resourcing services. The Fiducian Group has grown organically since its shares were listed on the ASX in 2000. A restructure of the Fiducian Group of companies was finalised in March 2015 and Fiducian Group Limited became the ASX-listed holding company for the Group. Fiducian Portfolio Services Limited, the previous ASX-listed holding company, became a subsidiary of Fiducian Group Limited.