

2015 Half Year Results

ending 31 March 2015

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Chief Executive Officer

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Chief Financial Officer

29 April 2015

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Half Year Highlights

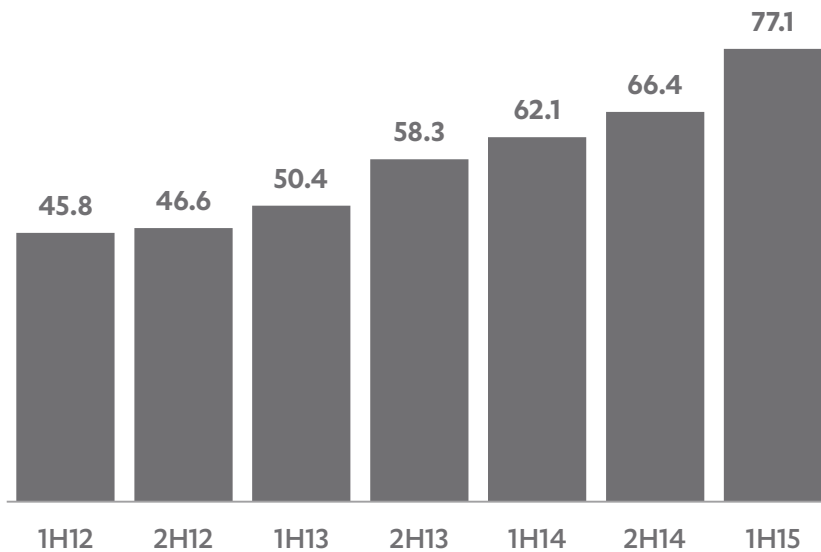
Business Strength	<ul style="list-style-type: none">• Exceptional FUM growth of \$10.7bn• Strong net inflows of \$2.1bn• Base management fees up by 24% on pcp• Continued expansion in base management fee margin
Investment Performance	<ul style="list-style-type: none">• 99% of FUM outperforming benchmarks over three years• JOHCM performance fees of \$37.6m for 2014 calendar year
Global Growth and Momentum	<ul style="list-style-type: none">• Significant growth in net inflows from US pooled funds• Strong demand for Global, European and Asian equities, and Australian fixed income products• Continued success in raising revenue from new products• New strategies launched in domestic and offshore markets

Financial Highlights

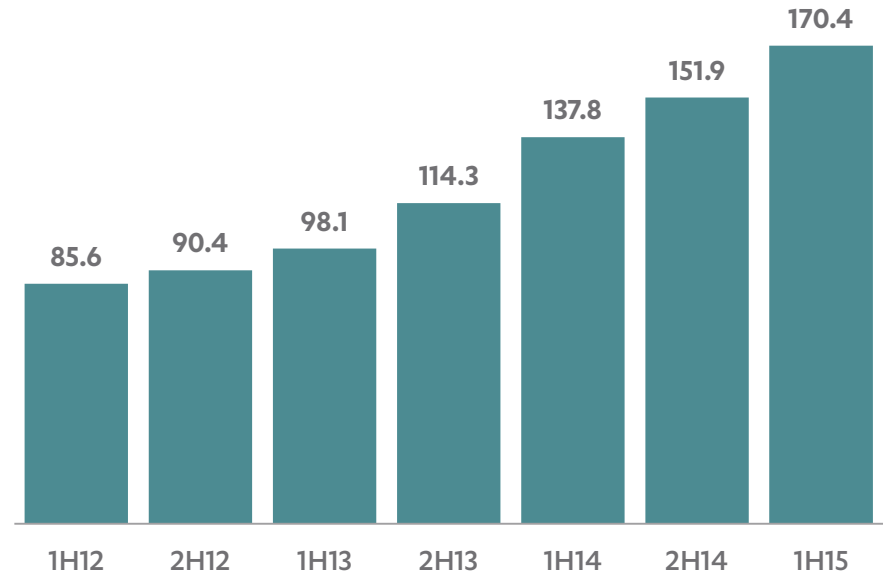
	1H15	1H14	1H13
→ Fee Revenue	\$211.8m	\$255.3m	\$133.8m
- Base Management Fees	\$170.4m	\$137.8m	\$98.1m
- Performance Fees	\$38.0m	\$114.7m	\$33.5m
→ Operating Expenses	\$131.0m	\$152.6m	\$88.7m
→ Cash NPAT	\$66.5m	\$83.1m	\$34.2m
→ Statutory NPAT	\$61.9m	\$78.3m	\$22.8m
→ Operating Profit Margin	38%	40%	34%
→ Cash EPS	22.1 cps	28.0 cps	11.8 cps
→ Interim Dividend	17.0 cps	16.0 cps	8.0 cps
→ Average FUM	\$71.2b	\$61.3b	\$48.5b

Growth Momentum

CLOSING FUM (\$b)

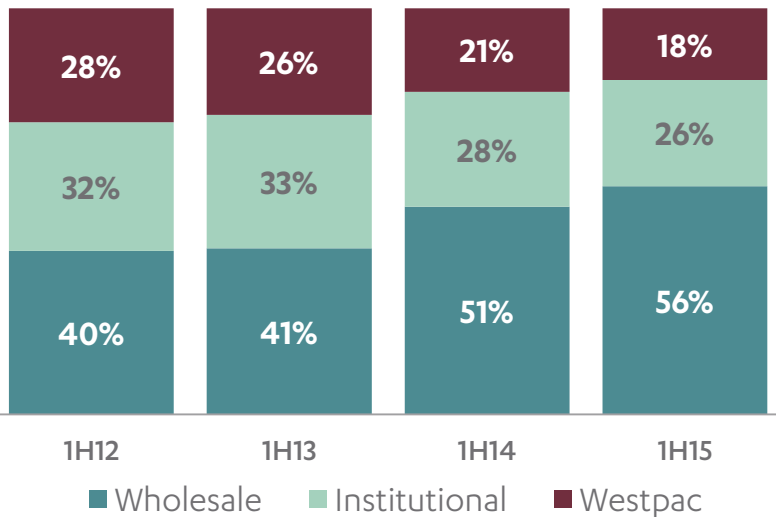


BASE MANAGEMENT FEES (\$m)

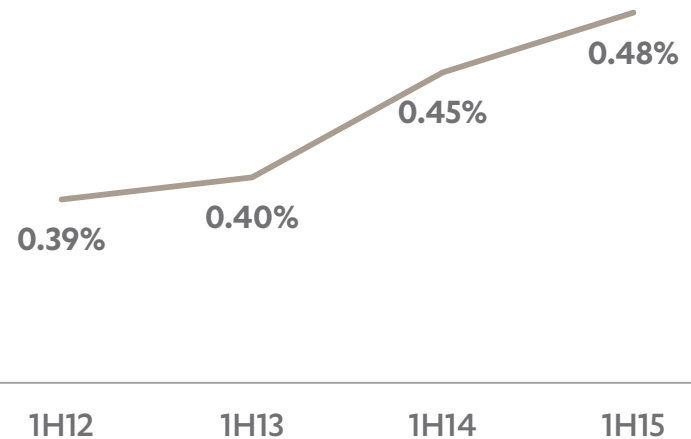


Delivering Fee Margin Expansion

PERCENTAGE OF BASE FEE REVENUE BY CHANNEL



AVERAGE BASE MANAGEMENT FEE MARGIN (BPS)

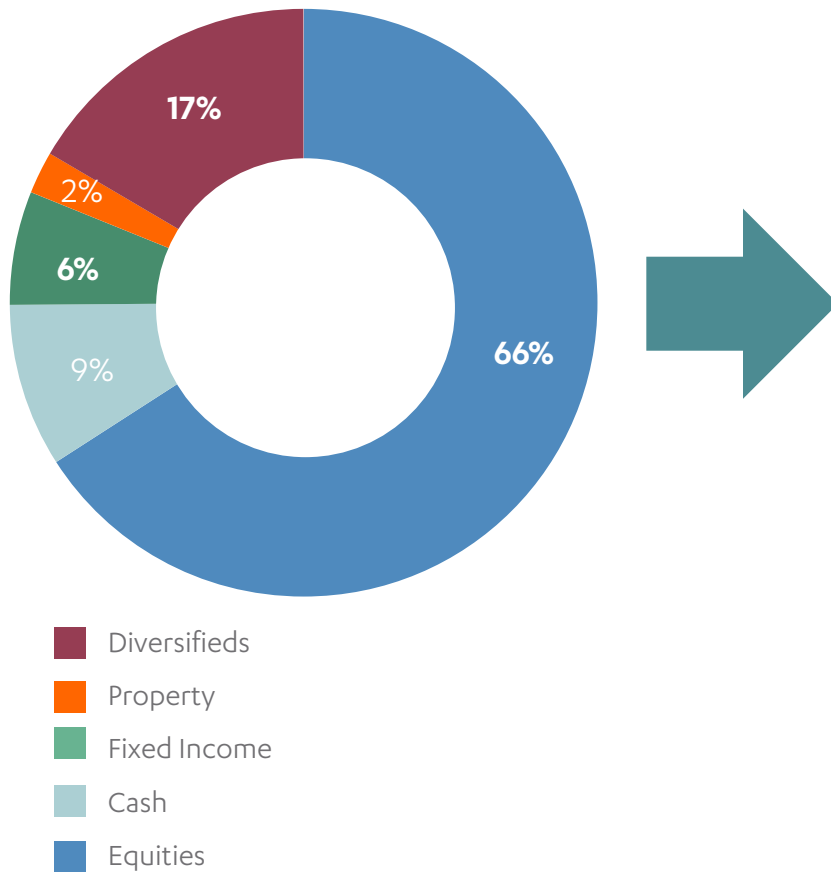


Margin expansion driven by:

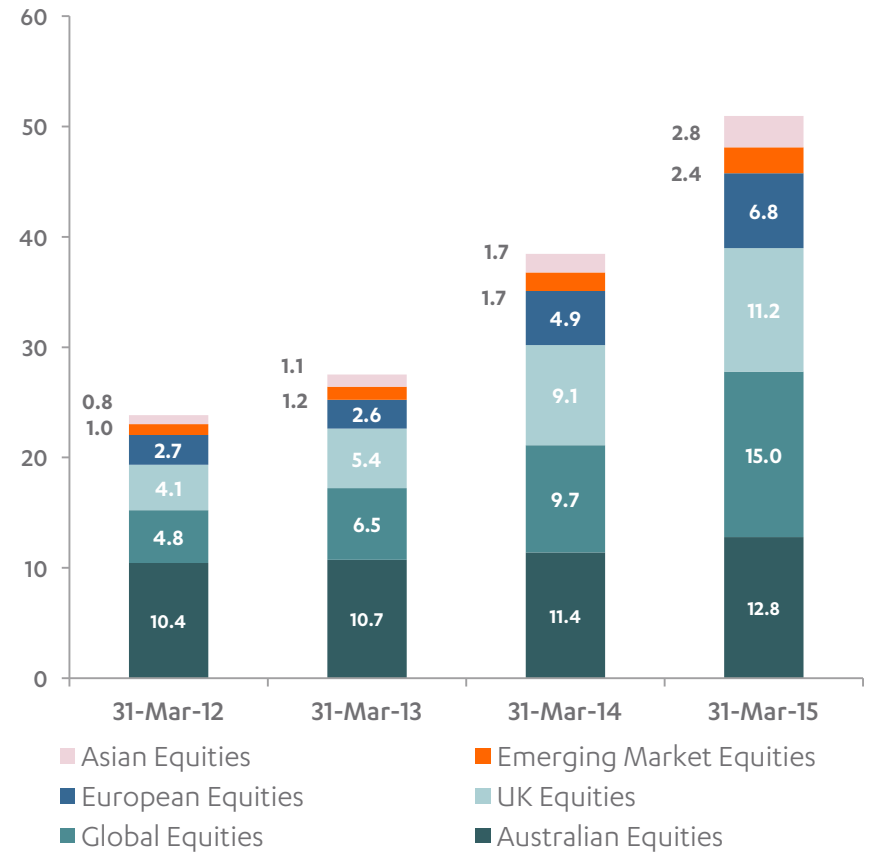
- Strong flows into higher margin wholesale channel
- Higher proportion of total FUM in equities

FUM by Asset Class

ASSET CLASS AS % OF TOTAL FUM (AT 31 MARCH 2015)



DIVERSE EQUITIES PORTFOLIO (\$b)





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FUM up \$10.7b for 1H15

\$b	30-Sep-14	Net		FX	31-Mar-15	Breakdown of Net Flows		Fee Margin	
	Closing FUM	Flows	Other ¹	Impact	Closing FUM	BTIM	JOHCM	BTIM	JOHCM
Institutional	23.9	(0.4)	2.5	0.4	26.4	(0.3)	(0.1)	0.24%	0.58%
Wholesale	24.3	2.9	2.8	1.0	31.0	0.1	2.8	0.79%	0.68%
Westpac – Other ²	9.3	0.0	1.0	-	10.3	0.0		0.31%	n/a
BTIM Group Core Funds	57.5	2.5	6.3	1.4	67.7	(0.2)	2.7		
Westpac - Legacy	8.9	(0.4)	0.9	-	9.4	(0.4)		0.33%	n/a
Total BTIM	66.4	2.1	7.2	1.4	77.1	(0.6)	2.7		

- \$2.1b of net flows across the Group
 - Represents annualised fee revenue of \$20.4m
- Driven by strong net inflows of \$2.9b into the higher margin wholesale channel
- Institutional outflows included \$600m from low margin products
- Higher markets and lower \$A
 - Average level of S&P/ASX 300 Index up 4% on pcp
 - Average level of MSCI ACWI (GBP) Index up 13% on pcp
 - Average level of AUD vs GBP down 5% on pcp

1. Other: includes market movement, investment performance & distributions

2. Westpac Other: represents institutional IMA managing retail and corporate superannuation and managed accounts

\$2.5b of Net Inflows into Core Funds

\$b	30-Sep-14 Closing FUM	Net Flows			31-Mar-15 Closing FUM
		Core	Legacy	Other ¹	
Equities					
Australia	11.4	0.1	(0.1)	1.4	12.8
Global	11.6	0.8	0.0	2.6	15.0
UK	10.1	0.1	-	1.0	11.2
Europe	4.9	0.9	0.0	1.0	6.8
Emerging Markets	2.0	0.1	-	0.3	2.4
Asia	2.2	0.3	(0.1)	0.4	2.8
Property	1.4	0.0	0.0	0.4	1.8
Cash	6.5	(0.1)	0.0	0.1	6.5
Fixed Income	4.4	0.2	0.0	0.2	4.8
Diversified	11.8	0.0	(0.2)	1.2	12.8
Other	0.1	0.1	0.0	0.0	0.2
Total FUM	66.4	2.5	(0.4)	8.6	77.1

- Net inflows into European equities of \$0.9b, Global equities of \$0.8b, Asian equities of \$0.2b and Fixed Income of \$0.2b
- Strong investment performance, higher markets and favourable foreign exchange movements increased total FUM by \$8.6b

1. Other includes market movement, investment performance, distributions & FX

Fund Performance

→ 99% of FUM has outperformed¹ over 3 years and 100% over 5 years

Asset Classes	FUM at 31 March 2015 (\$b)	% of FUM outperformed ¹ 3 Year	% of FUM outperformed ¹ 5 Year
Equities:			
Australia	12.8	100%	100%
Global	15.0	99%	100%
UK	11.2	100%	100%
Europe	6.8	100%	100%
Emerging Markets	2.4	100%	N/A
Asia	2.8	82%	100%
Property	1.8	93%	100%
Cash	6.5	100%	100%
Fixed Income²	3.6	100%	100%
Diversified	12.8	100%	100%
Other²	1.4	N/A	N/A
Total FUM	77.1	99%	100%

1. Fund performance is pre-fee, pre-tax and relative to the fund benchmark; % of FUM outperforming relates to FUM with sufficient track record only
2. \$1.2bn has been moved from Fixed Income to Other and a benchmark is not applied

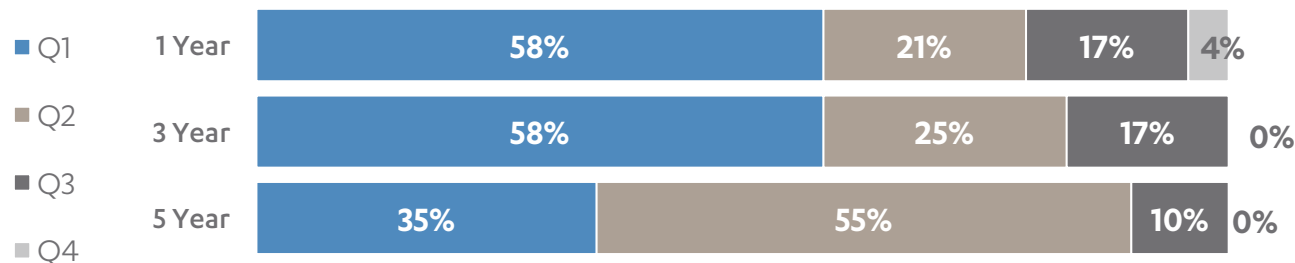
Strong Performance across Core Funds Relative to Benchmark

	1 Year (pa)	3 Years (pa)	5 Years (pa)
BT Institutional Core Australian Share Sector Trust	+3.58%	+1.75%	+1.12%
BT Wholesale Focus Australian Share Fund	+6.89%	+2.97%	+1.54%
BT Institutional Imputation Sector Trust	+3.02%	+0.65%	+0.27%
BT Wholesale Australian Long Short Fund	+3.88%	+2.62%	+1.85%
BT Wholesale Mid Cap Fund	+4.08%	+7.65%	+6.40%
BT Institutional Smaller Companies Sector Trust	+4.49%	+12.80%	+11.30%
BT Wholesale MicroCap Opportunities Fund	+25.13%	+26.47%	+25.54%
BT Institutional Property Sector Trust	+0.40%	+0.03%	+0.58%
BT Institutional Core Global Share Sector Trust	+1.16%	+2.36%	+1.97%
BT Wholesale Active Balanced Fund	+4.97%	+2.36%	+1.33%
BT Wholesale Fixed Interest Fund	+2.80%	+0.98%	+0.64%
BT Wholesale Monthly Income Plus Fund	+6.83%	+4.92%	+3.20%
BT Wholesale Enhanced Cash Fund	+0.80%	+1.34%	+1.44%

	1 Year (pa)	3 Years (pa)	5 Years (pa)
JOHCM UK Equity Income Fund	+1.32%	+6.99%	+5.98%
JOHCM UK Opportunities Fund	+1.69%	+1.66%	+3.14%
JOHCM UK Growth Fund	-0.31%	+9.41%	+4.32%
JOHCM UK Dynamic Fund	+0.75%	+7.71%	+6.29%
JOHCM Continental European Fund	+1.97%	+4.35%	+4.12%
JOHCM European Select Values Fund	+2.62%	+4.31%	+6.14%
JOHCM Global Select Fund	+13.05%	+8.97%	+7.69%
JOHCM International Select Fund	+18.76%	+9.95%	+8.57%
JOHCM Emerging Markets Fund	+1.89%	+3.64%	N/A
JOHCM Global Emerging Markets Opportunities Fund	+9.27%	+3.76%	N/A
JOHCM Japan Fund	-6.83%	+1.01%	+1.71%
JOHCM Asia ex Japan Fund	+2.82%	+5.43%	N/A
JOHCM Asia ex Japan Small & MidCap Fund	+19.37%	+9.51%	N/A

Note: Fund performance is pre-fee, pre-tax and relative to the fund benchmark
Source: Lipper and Mercer fund rankings as at 31 March 2015

% of core funds across quartile rankings



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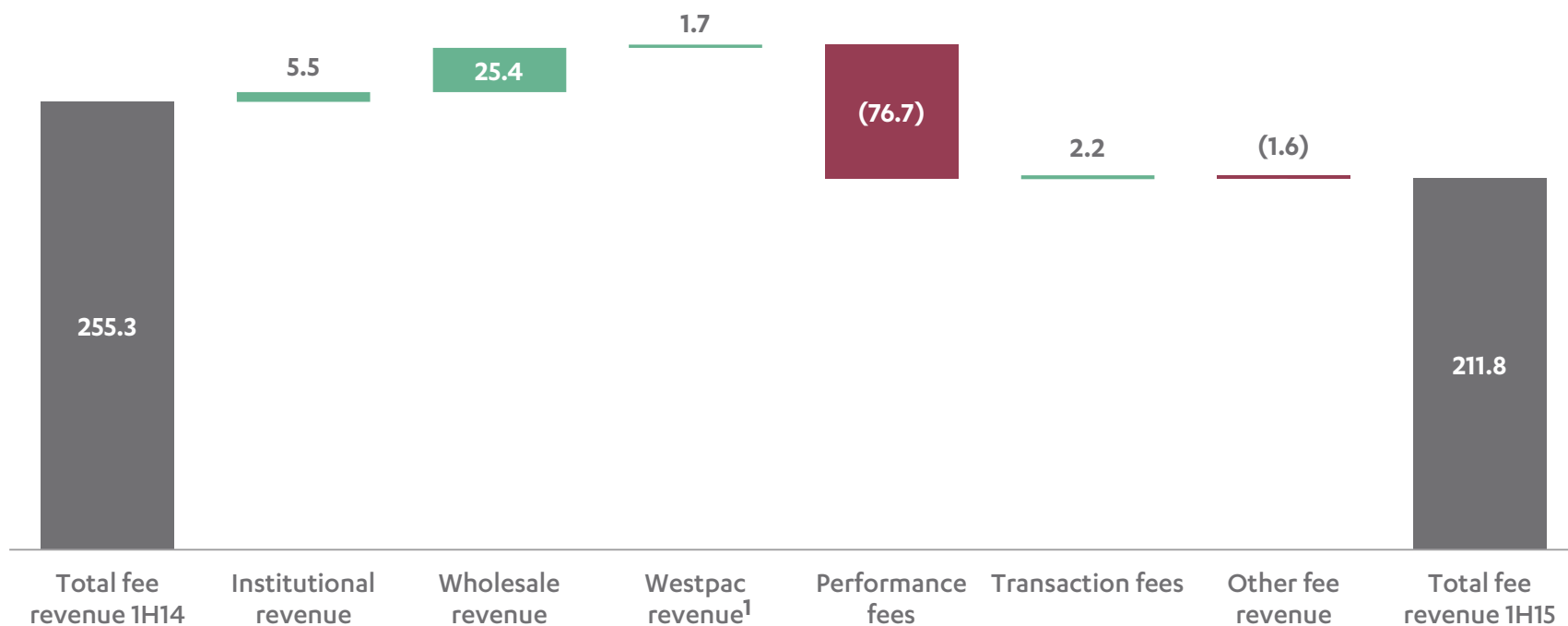
Strength and momentum in underlying business delivering growth in base management fees

\$m	1H13 ¹	1H14	1H15	Change % (1H15 v 1H14)
Avg FUM (\$b)	48.5	61.3	71.2	16%
Base Fee Margin	0.40%	0.45%	0.48%	6%
Base management fees	98.1	137.8	170.4	24%
Performance fees	33.5	114.7	38.0	(67%)
Transaction fees	-	-	2.2	-
Other fee revenue	2.2	2.8	1.2	(58%)
Total fee revenue	133.8	255.3	211.8	(17%)
Employee expenses	(66.6)	(125.1)	(100.1)	(20%)
Operating expenses	(22.1)	(27.5)	(30.9)	13%
Total cash operating expenses	(88.7)	(152.6)	(131.0)	(14%)
Operating profit	45.1	102.7	80.8	(21%)
Net investment income	2.1	5.9	3.5	(41%)
Financing charges	(1.3)	(0.8)	(0.6)	(21%)
Tax	(11.7)	(24.7)	(17.2)	(30%)
Cash NPAT	34.2	83.1	66.5	(20%)
Operating profit margin	34%	40%	38%	(5%)
Cash EPS (cps)	11.8	28.0	22.1	(21%)

- Higher average FUM and expansion in fee margins driving a 24% increase in base management fees
- Performance fees lower after record 1H14
- Transaction fees represent fee revenue on new non-annuitized products
- Lower employee expenses driven by lower performance fees
- Higher operating expenses as a result of investment in growth initiatives
 - New products
 - New teams
 - US expansion

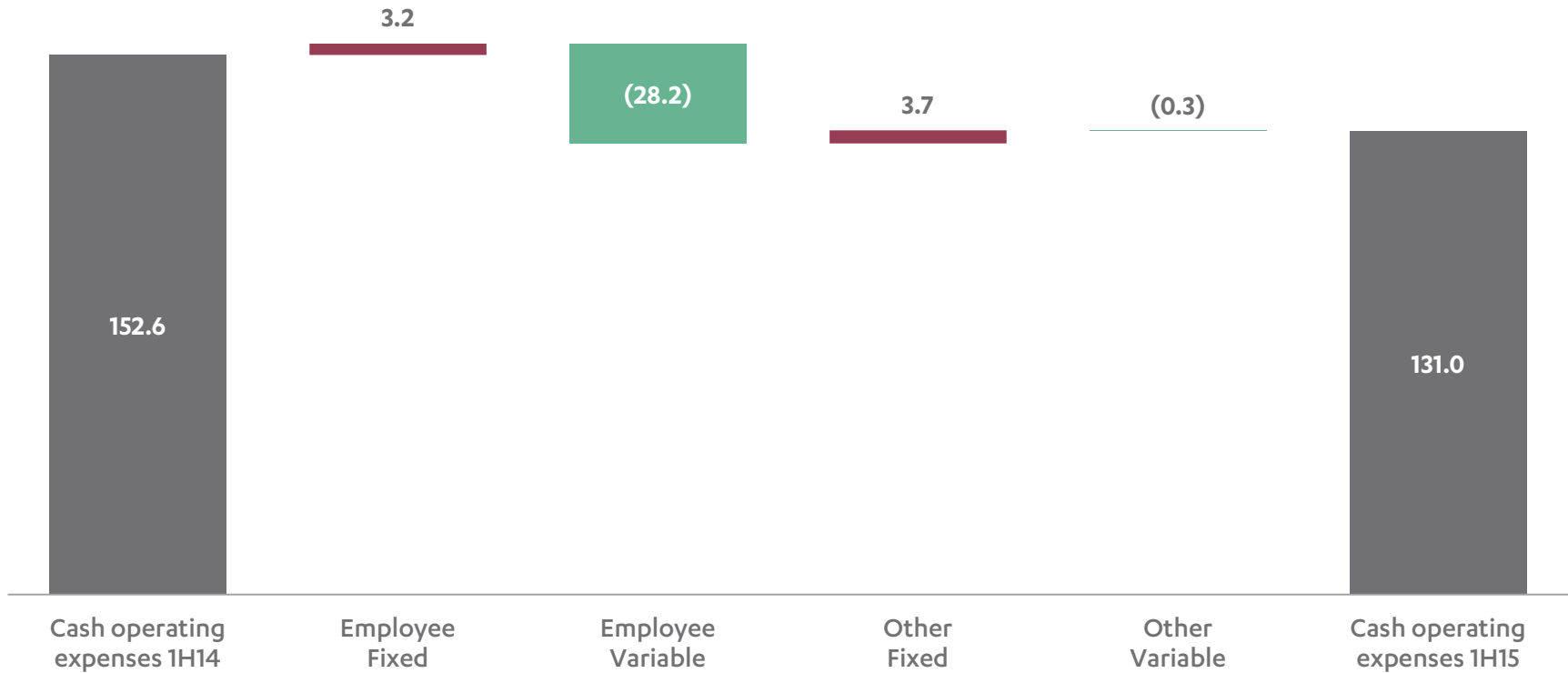
1. Certain 1H13 items have been re-classified for consistency purposes

Fee Revenue (\$m)



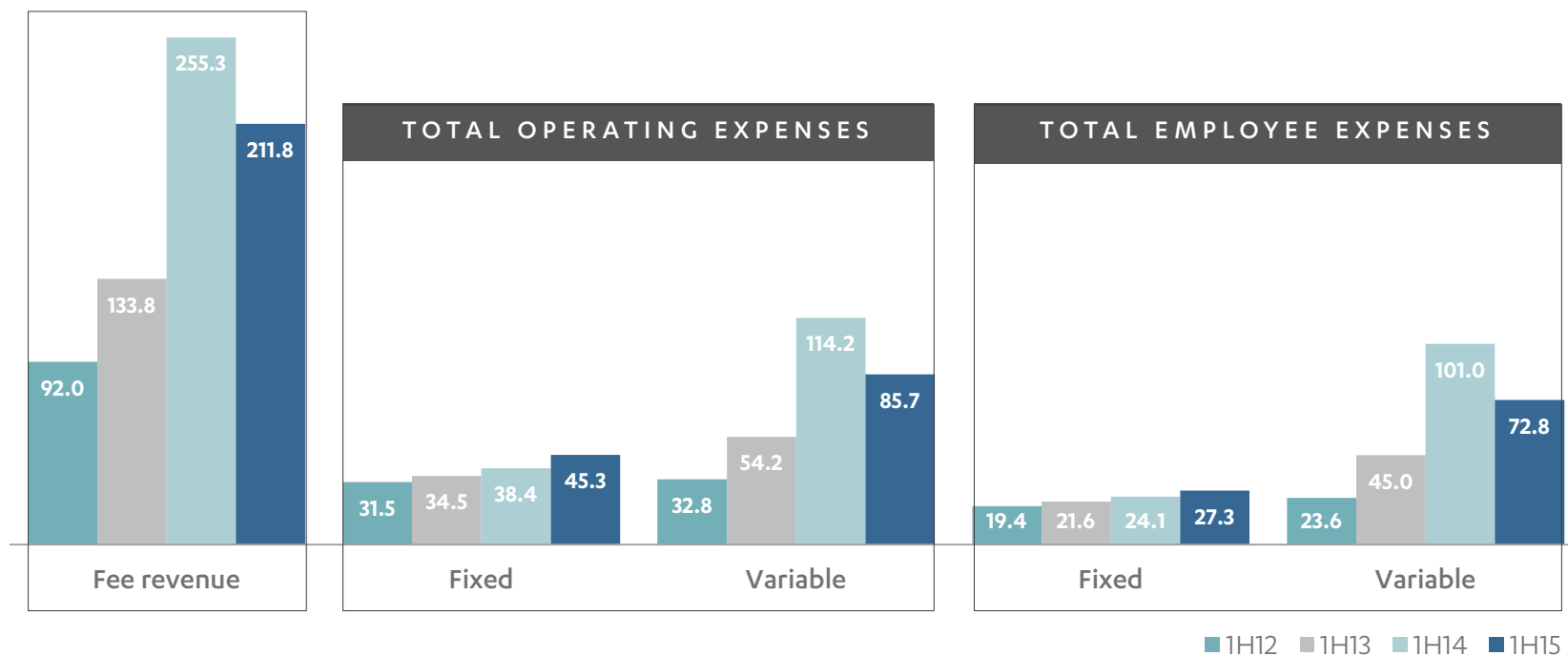
1. Westpac revenue: represents institutional IMA managing retail and corporate superannuation and managed accounts

Operating Expenses (\$m)



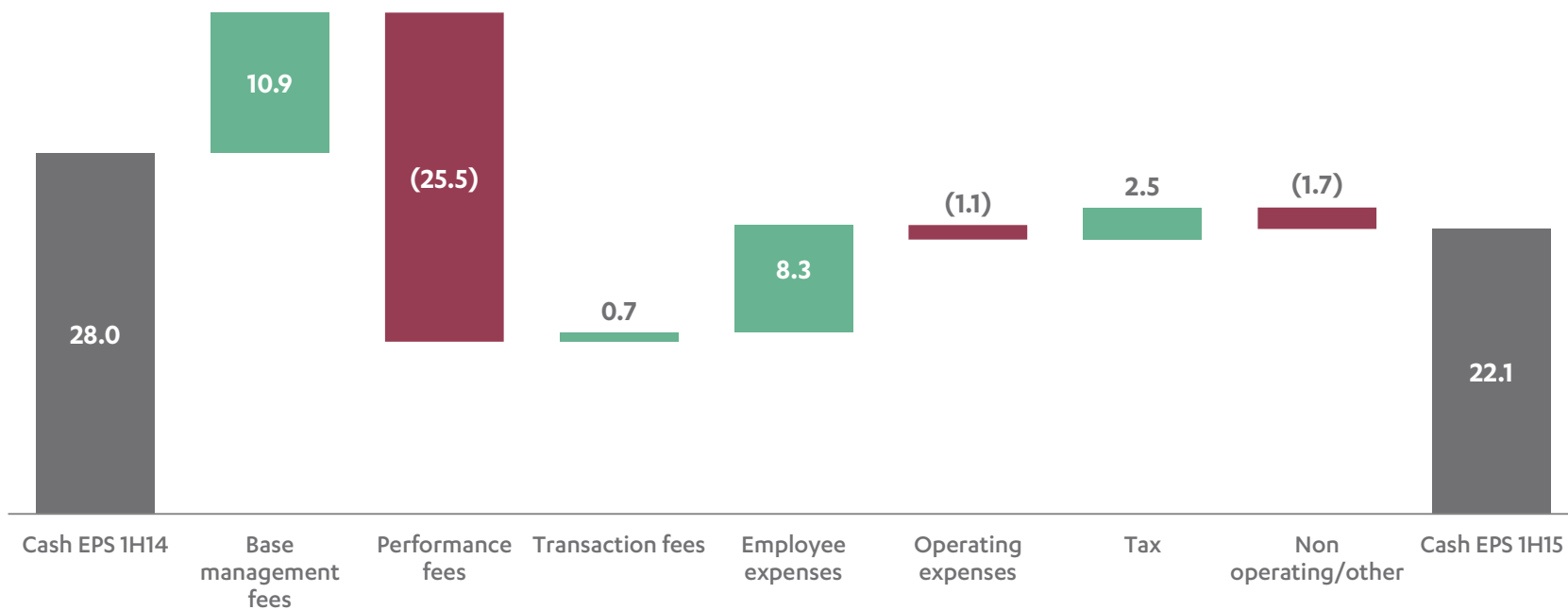
Fixed v Variable Operating Expenses¹ (\$m)

% Breakdown	1H12	1H13	1H14	1H15
Variable expenses ²	51%	61%	75%	65%
Fixed expenses	49%	39%	25%	35%
Total	100%	100%	100%	100%



1. Certain 1H12 – 1H13 items have been re-classified for consistency purposes
2. Variable expenses include fund expenses that are linked to FUM and employee expenses that are linked to profit

Cash EPS (cps)



Balance Sheet Strength

\$m	Sep 2014	Mar 2015	Mvmt
Cash and cash equivalents	130.2	111.0	(19.2)
Bank debt and loan notes	(36.1)	(43.0)	(6.9)
Net cash	94.1	68.0	(26.1)
Undrawn debt facilities	59.4	51.3	(8.1)
Total equity	643.1	688.4	45.3
Less: Intangibles and equity settled converting notes	(559.1)	(583.4)	(24.3)
Net Tangible Assets	84.0	105.0	21.0

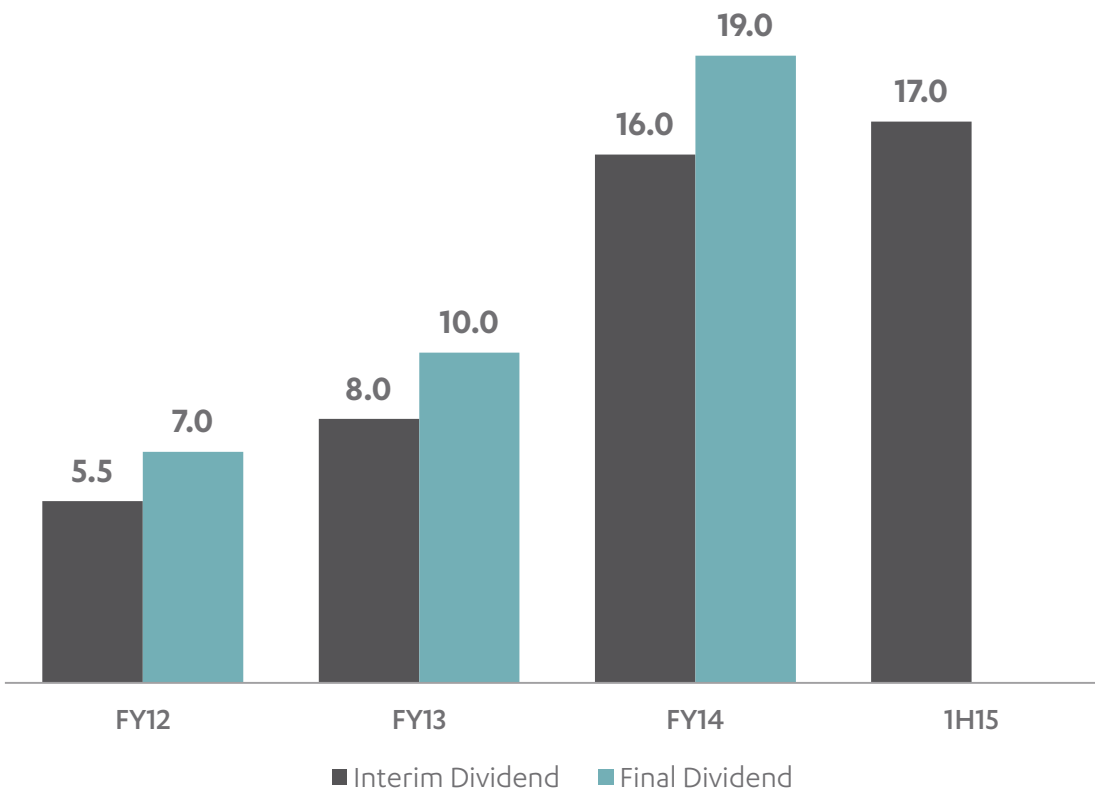
- Strong balance sheet with healthy cash position
- Cash position seasonally lower in 1H
- Debt facility used to seed new strategies
- Net Tangible Assets of \$105.0m
- Comfortable gearing ratios

Gearing Ratios

Debt / equity	6%	6%	-
Debt / Operating Profit	22%	31%	9%
Interest coverage	103x	125x	22x

Dividends (cps)

Interim dividend of 17.0 cents per share, up 6.3% on pcp



- Interim dividend declared of 17.0 cps
- Dividend to be 40% franked
- Dividend represents a payout ratio of 77% for 1H15
- DRP to continue with zero discount to allocation price

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Strategy Focus

BUILDING-OUT A GLOBAL ASSET MANAGEMENT BUSINESS

**Focus on
increasing
margins**

**Build on
current
distribution
channels**

**Expand
investment
capabilities**

**Grow in new
and existing
markets**

Strategy Focus

Strategy Platform – Building on a proven and successful business model

FOCUS ON INCREASING MARGINS

- > Channel management with increasing percentage of flows coming from higher margin wholesale channel
- > New products targeting higher margin contribution
- > Strong pricing discipline
- > Base management fee margin expansion from 45bps to 48bps



BUILD ON CURRENT DISTRIBUTION CHANNELS

- > Increased flows from US intermediaries
- > Funds added to US platforms
- > Funds added to domestic private client/broker platform
- > Launch of 4 new domestic SMA's



EXPAND INVESTMENT CAPABILITIES

- > New PM added to support the launch of European Concentrated Value Fund
- > Continued discussions with potential teams both onshore and offshore
- > BTIM Group seen as a strong investment manager with a global platform to build FUM



GROW IN NEW AND EXISTING MARKETS

- > Continued strong growth in offshore net flows particularly the US
- > Launched new investment vehicles for
 - US Small to Mid-cap
 - Global Smaller Companies
 - Global Emerging Markets Small Cap
 - European Concentrated Value
 - a range of DST¹ structures for US small-medium institutional market
- > New monies raised in Significant Investor Visa product (launched 2014).
- > Awarded \$2.4b in institutional mandates for new overlay strategy
- > New monies raised in Australian private client/broker channel post addition of sales resource in mid-June 2014

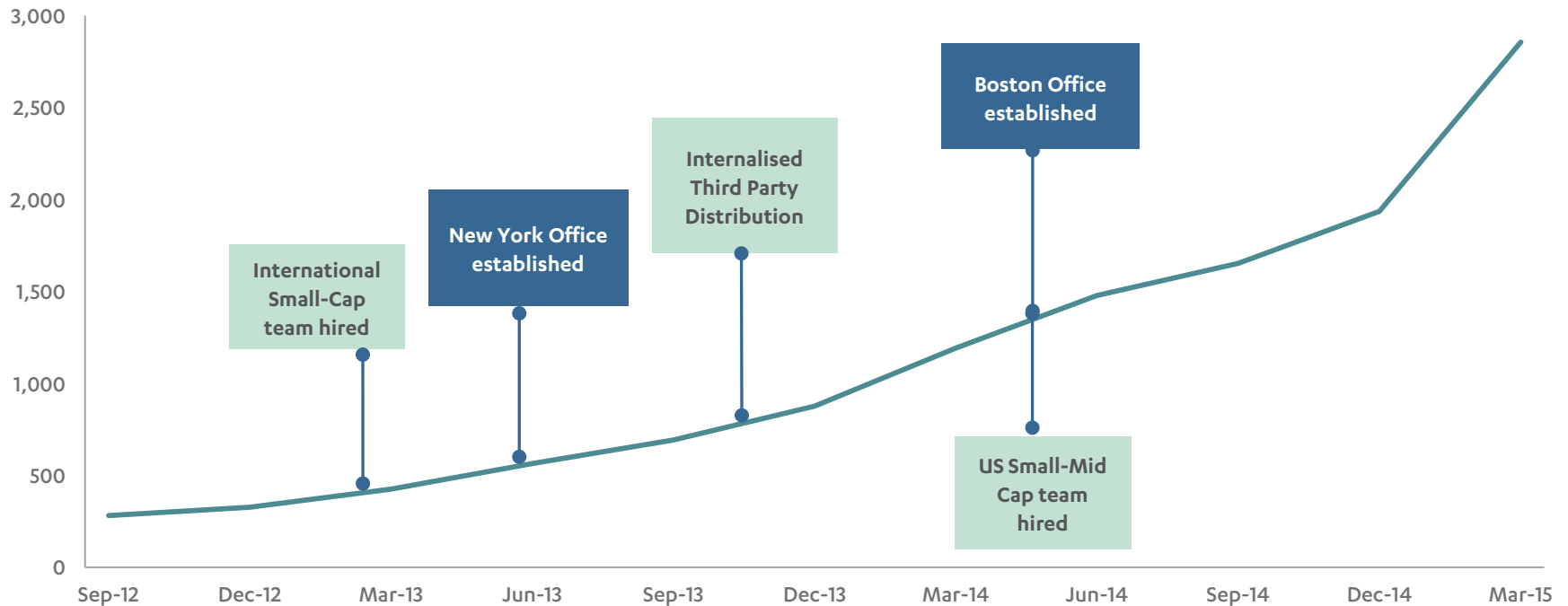


Note 1: Delaware Statutory Trust

Strategy Update – US

Building a meaningful business in the US

US Mutual Funds: Cumulative Net Flows (US\$m)

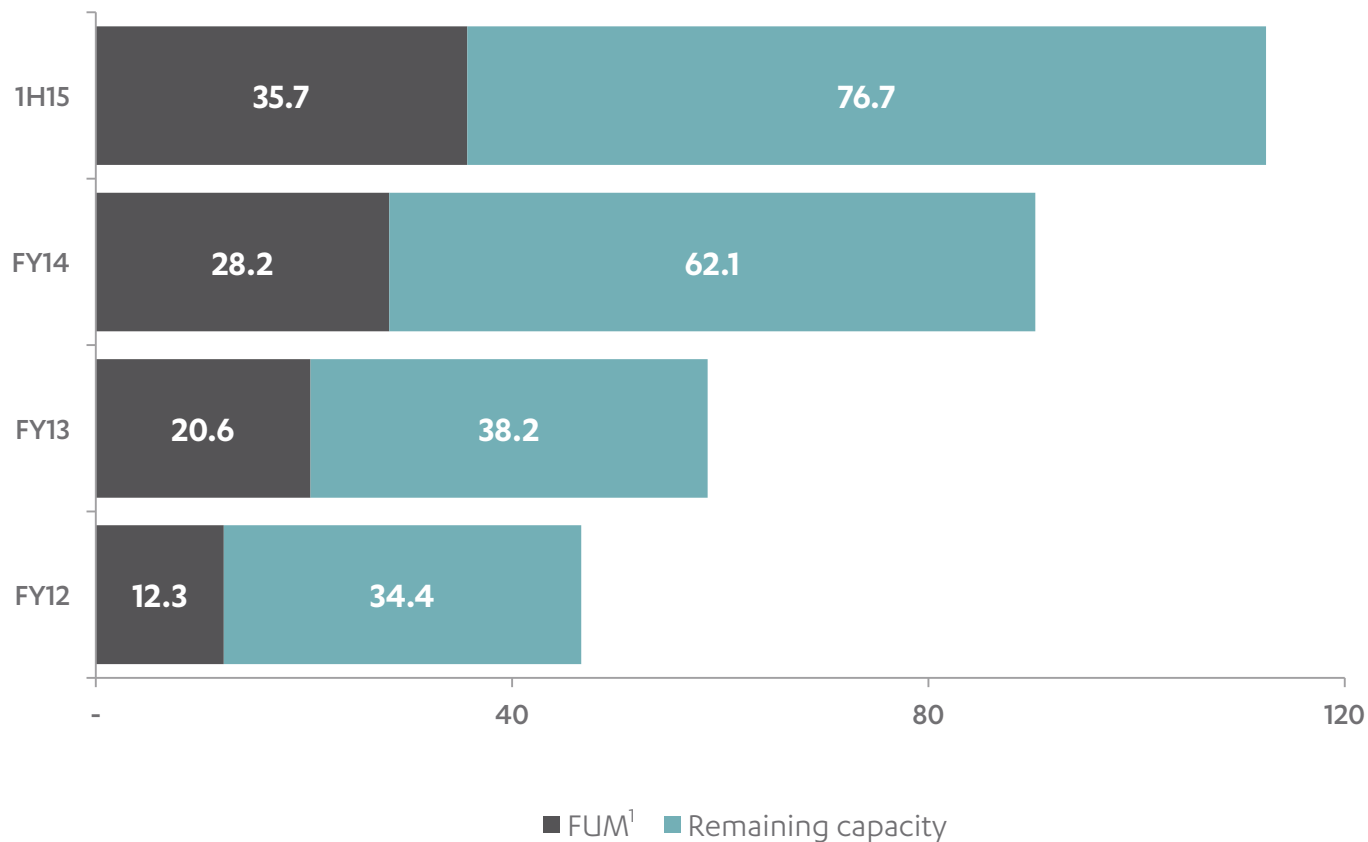


Mutual Funds Launched into US market

Prior to Sep-12	Nov-12	Mar-13	Oct-13	Mar-14	Sep-14	Dec-14
• International Select	• Emerging Markets Opportunities	• Global Select	• International Small Cap	• Asia ex Japan	• US Small-Mid-cap	• Emerging Markets Small Cap

JOHCM Fund Capacity

Growth in FUM and capacity (A\$b)



1. Includes FUM managed on behalf of BTIM

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Summary and Outlook

A Global Asset Management Business with strong growth momentum

- Business in a strong position for continued growth
- Growth initiatives leading to positive flows and growth in FUM and base management fees
- US mutual funds and European OEIC's well supported
- Investment performance is strong
 - Strong outperformance across all asset classes
 - Performance fees of \$12.9 million accrued in Australian funds/mandates as at 31 March 2015, and at risk until 30 June 2015
- Low interest rate environment supportive of global equity markets and demand for income products
- Regulation continues to provide challenges globally for the industry
- Continue to see opportunity to expand through new strategies and the addition of new teams
- Remain confident of continued growth in base management fees subject to market movements

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Segment P&L

\$m	1H14	1H15				Mvmt	Change %
		BTIM	JOHCM	Inter-segment	Group		
Avg FUM (\$b)	61.3	40.2	31.6	(0.6)	71.2	9.9	16%
Base fee margin	0.45%	0.35%	0.65%	-	0.48%	0.03%	6%
Base management fees	137.8	69.4	102.4	(1.4)	170.4	32.6	24%
Performance fees	114.7	0.4	37.6	-	38.0	(76.7)	(67%)
Transaction fees	-	2.2	-	-	2.2	2.2	-
Other fee revenue	2.8	1.6	0.3	(0.7)	1.2	(1.6)	(58%)
Total fee revenue	255.3	73.6	140.3	(2.1)	211.8	(43.5)	(17%)
Employee expenses	(125.1)	(32.9)	(67.2)	-	(100.1)	25.0	(20%)
Operating expenses	(27.5)	(20.1)	(12.9)	2.1	(30.9)	(3.4)	13%
Total cash operating expenses	(152.6)	(53.0)	(80.1)	2.1	(131.0)	21.6	(14%)
Operating profit	102.7	20.6	60.2	(0.0)	80.8	(21.9)	(21%)
Net investment income	5.9	(1.2)	4.9	(0.2)	3.5	(2.4)	(41%)
Financing charges	(0.8)	(0.4)	(0.4)	0.2	(0.6)	0.2	(21%)
Tax	(24.7)	(6.0)	(11.2)	-	(17.2)	7.5	(30%)
Cash NPAT	83.1	13.0	53.5	-	66.5	(16.6)	(20%)
Operating profit margin	40%	28%	43%	-	38%	(2%)	(5%)

Cash EPS Calculation

Number of Shares

(m)	1H14	1H15
Weighted average ordinary shares on issue	281.0	290.6
Weighted average converting notes on issue	15.7	10.1
Weighted average fully diluted shares on issue	296.7	300.7

Cash EPS Calculation

	1H14	1H15
Cash Net Profit After Tax (\$m)	83.1	66.5
Weighted average ordinary shares on issue (m)	281.0	290.6
Weighted average fully diluted shares on issue (m)	296.7	300.7
EPS based on Cash NPAT (cps)	28.0	22.1

Performance Fees

Fund	FUM \$m 31 Mar 15	Performance period to	Benchmark	Participation Rate %
BTIM				
BT Wholesale Australian Long Short Fund ¹	256	30 June	S&P/ASX 200 Accum Index	15%
BT Wholesale Microcap Opportunities Fund ¹	225	30 June	S&P/ASX Small Ord Accum Index	20%
BT Wholesale Focus Australian Share Fund ¹	137	30 June	S&P/ASX 300 Accum Index	15%
BT Wholesale Mid Cap Fund ¹	115	30 June	BT Midcap Customised Index	20%
JOHCM²				
UK Equity Income Fund ¹	5,242	31 December	FTSE All-Share TR Index	15%
Global Select Fund ¹	3,796	31 December	MSCI ACWI NR Index (net dividends reinvested)	15%
Continental European Fund ¹	2,967	31 December	MSCI Europe ex UK NR Index (net dividends reinvested)	15%
European Select Values Fund	2,958	31 December	MSCI Europe NR Index (net dividends reinvested)	15%
UK Opportunities Fund	2,953	31 December	FTSE All-Share TR Index	15%
Japan Fund	1,353	31 December	TOPIX TR Index	15%
UK Growth Fund	790	31 December	FTSE All-Share TR Index	15%
UK Dynamic Fund	587	31 December	FTSE All-Share TR Index	15%
Asia ex-Japan Fund	562	31 December	MSCI AC Asia ex Japan NR Index (net dividends reinvested)	15%
Global Emerging Markets Opportunities Fund ¹	292	31 December	MSCI Emerging Markets NR Index (net dividends reinvested)	15%
Global Opportunities Fund	246	31 December	MSCI ACWI NR Index (net dividends reinvested)	15%
Japan Dividend Growth Fund	163	31 December	TOPIX 100 TR Index	15%
Global Emerging Markets Fund	67	31 December	MSCI Emerging Markets NR Index (net dividends reinvested)	15%
Asia ex-Japan Small & Mid Cap Fund ¹	53	31 December	MSCI AC Asia ex Japan Small Cap NR Index (net dividends reinvested)	15%
Total funds with performance fees	22,763			

BTIM performance fees accrued in funds/mandates but not realised until 30 June 2015 (\$m)³

12.9

1. Funds above their high water mark as at 31 March 2015

2. JOHCM includes OEIC FUM converted at 31 March 2015 spot rate of 0.5167

3. BTIM has earned an additional \$0.4m performance fees in 1H15 for mandates with a 31 December performance period which have been recognised in the 1H15 result.

Adjustments from Statutory NPAT to Cash NPAT



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