



26 February 2014

## IOOF 2014/2015 interim result

- **\$80.6m UNPAT pre-amortisation result – up 39% on pcp**
- **25c per share interim dividend fully franked – up 11% on pcp**
- **\$66.0m statutory NPAT result**

IOOF Holdings Limited (IOOF) has produced a record \$80.6m Underlying Net Profit after Tax pre-amortisation (UNPAT), for the period ended 31 December 2014. The reported statutory Net Profit after Tax was \$66.0m.

Commenting on the result for IOOF, Managing Director, Mr Christopher Kelaher said “This record interim result represents another strong start to the year for IOOF. The inclusion of SFG during the period has contributed \$16.3m to IOOF’s result and has been immediately earnings per share accretive. The benefits of IOOF’s additional scale following this key acquisition are also immediately evident.

IOOF’s gross margin, or revenue, increased 38% to \$267.9m for the period. This increase in revenue, coupled with net flows is driving IOOF’s growth.

### **A 38% increase in organic net flows into flagship platforms**

The money IOOF administers and manages on behalf of financial advisers and their clients. Funds Under Management, Advice and Administration (FUMA) increased 26% to \$118.7b this financial year. The addition of \$19.9b in funds from SFG was the main driver for this strong increase.

When IOOF’s Funds Under Supervision are included, IOOF’s Funds Under Management, Advice, Administration and Supervision (FUMAS) increased by 17% to \$144.5b

By recording \$860m in organic net funds flow for the period, IOOF’s flagship platforms experienced a 38% uplift.

When all of IOOF’s platforms are included, total platform net flows, at \$818m for the period, doubled in comparison to the flows experienced in the prior corresponding period.

“Due to the success of its organic growth strategy, IOOF has now experienced positive net flows into its platforms each quarter for 2 years running, said Mr Kelaher.

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This flows experience greatly enhances IOOF's platform profitability, with its Net Operating Margin remaining stable for the period.

### **Operating costs prudently managed**

"IOOF's prudent and disciplined cost management is a key feature of our business, said Mr Kelaher. "This enabled us to make a targeted increased investment in IT development and infrastructure, he added.

Synergies associated with the SFG acquisition reached \$3.5m pre-tax for the period. IOOF remains well placed to achieve its \$20m synergy target by the end of FY16.

### **25 cents per share fully franked final dividend declared**

The Directors of IOOF have declared a fully franked 25 cents per share interim dividend to be paid on 10 April 2015. The record date will be 18 March 2015.

This is an 11% increase on last financial year's interim dividend and represents a dividend yield of approximately 5%.

### **Outlook for IOOF**

Commenting on the outlook for IOOF, Mr Kelaher concluded, "The scale IOOF has achieved in recent years through strong organic and acquisition growth provides a perfect foundation for the future. This consistent strategic approach, coupled with disciplined management of IOOF's cost base, will ensure we remain a highly successful business and provide value for all stakeholders.

"For the next six months, the successful integration of the SFG business into IOOF remains our key priority. Our progress is well advanced."

-ENDS-

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## About IOOF Holdings Limited

The IOOF Group is one of Australia's largest independent providers of wealth creation product and services with offices in every state.

The Group offers the following services:

- Wealth Management
- Superannuation
- Investment Management
- Asset Management
- Estate Planning
- Corporate Trust

The Group's products and services are designed to accompany the lives of approximately 650,000 Australians from wealth accumulation into retirement and across to the next generation.

At 31 December 2015, IOOF had \$144.5 billion in Funds Under Management, Administration Advice, and Supervision.

IOOF operates under a variety of brands including Bridges Financial Services, Consultum Financial Advisers, Lonsdale Financial Group, Shadforth Financial Group, Perennial Investment Partners Limited, Australian Executor Trustees (AET), IOOF Employer Super, IOOF Pursuit, Plan B Wealth Management, Wealth Builder and Ord Minnett.

IOOF is listed on the Australian Securities Exchange in the ASX 100 (ASX:IFL, OTC:IOOFY)



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