

MARKET RELEASE
ClearView reports solid FY2011 results
- Reports \$19.3 million first year underlying profit and declares dividend -

SYDNEY, 24 August 2011: ClearView Wealth Limited (“ClearView”, ASX:CVW) announced today its results for the twelve months ended 30 June 2011.

ClearView Managing Director, Simon Swanson, commented, “The full year 2011 results reflect a solid, profitable and cash generating business. Our underlying profit of \$19.3 million equates to a 14% after tax return on the capital employed in the business and our surplus capital has increased to \$53 million above internal target requirements.”

Mr Swanson added, “The first half of the year was focused on successfully integrating the businesses acquired from Bupa and extracting cost synergies, which predominantly drove the 16% increase in embedded value over the year. In the second half, we made good progress on initiatives with our strategic partners, namely Bupa Australia and credit unions, and commenced other exciting growth initiatives.”

FY2011 Financial Highlights

Note: FY2011 results reflect 12 months of ownership of the life insurance and wealth management business acquired from Bupa Australia compared to 3 weeks of ownership in FY2010.

\$M (unless stated otherwise)	FY2011	FY2010	CHANGE
Reported NPAT ¹	8.7	2.4	260%
Underlying NPAT ²	19.3	(1.0)	n/a
Dividend per share (cents, fully franked)	1.8	nil	n/a
Underlying EPS (cents, fully diluted)	4.6	(0.5)	n/a
Net Assets per share ³ (cents)	60.5	59.1	2%
Embedded value ^{4,5}	259	223	16%
Surplus capital above internal target requirements ⁵	53	40	33%

- 1 Reported FY10 NPAT is from continuing operations adjusted for the reported profit on acquisitions as a result of completion adjustments under the Bupa business acquisition.
- 2 Underlying profit is the Board’s key measure of profitability and is the basis on which the dividend payment is determined. It consists of profit after tax adjusted for amortisation, restructure and transition costs, one-off system upgrade costs and the AIFRS insurance liability adjustment (tax effected).
- 3 Net assets per share is adjusted for the Employee Share Plan (ESP) loan of \$12.0m (10.0m in FY10) and 20.7m (17.7m in FY10) ESP shares.
- 4 Proforma embedded value as at 30.06.2010 includes the Parent entity and an estimate for ClearView Financial Advice (formerly ComCorp).
- 5 Surplus capital above internal target requirements is prior to the FY11 dividend and capital benefit of utilisation of tax losses. The embedded value is also pre these two items.

FY2011 Highlights

ClearView produced an underlying profit after tax of \$19.3 million for its first full year of operations as ClearView Wealth Limited. The reported profit after tax was \$8.7 million which included \$7.4 million of amortisation and \$3.2 million of one-off transition and restructuring costs and the AIFRS insurance liability adjustment.

A fully franked final dividend of 1.8 cents per share was declared representing 40% of underlying profit and the top end of our guidance.

On the operational front:

- 5 new direct life insurance products were released and client facing websites were upgraded;
- Queensland Country became the first credit union to add life insurance products to the existing agreement to distribute wealth products (starting in October 2011);
- All of the wholesale funds managed by ClearView strongly outperformed their respective indices in FY11. In addition, two new asset class funds were added to enhance the fund offering and position ClearView for future strong performance.
- ClearView was awarded the non-aligned 'Dealer Group of the Year' for 2011 by Money Management, reflecting the quality of the ClearView Financial Planning network.

Growth initiatives

Specific growth initiatives planned for FY2012 include:

- The launch of a comprehensive range of full advice life insurance products tailored to the needs of the markets that IFAs and ClearView financial planners serve;
- Rolling out products on a larger scale and via increased sales channels to Bupa members;
- Implementing a competitive private label platform, including new ClearView wealth management products, to target the accumulation and pension phases of the superannuation industry along with non-superannuation monies; and
- Expanding the life insurance offering to credit unions.

Outlook

Further progress and initial growth is anticipated for ClearView during FY2012. This will be more evident in the second half of the financial year as the distribution initiatives with IFAs and strategic partners develop.

ClearView is strongly positioned for long term growth with its unique market position due to its size, 'independent' nature, and ability to focus on profitable, scalable market segments. The fundamental market growth drivers remain intact and include underinsurance in Australia, mandatory superannuation and increased market complexity. The business is in a strong capital position, with \$53 million of surplus capital to provide the Company with stability in an uncertain market environment and pursue attractive opportunities.



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About ClearView Wealth Limited

ClearView Wealth Limited is an Australian financial services company specialising in life insurance, wealth management and financial planning solutions. ClearView manages \$3 billion of client assets and has in force premiums of \$41 million.

Additional information is available at www.clearview.com.au.