Shareholder Update

30 April 2012

Shareholder Update

BT Investment Management Limited delivers half year Cash NPAT of $19.7 million, post the acquisition of J O Hambro Capital Management

Dear Shareholder

BT Investment Management Limited (BTIM) today announced a Cash net profit after tax (NPAT) of $19.7 million for the half year ended 31 March 2012, which includes the first six month contribution from J O Hambro Capital Management (JOHCM).

Statutory NPAT was $11.2 million. The lower Statutory NPAT was primarily the result of non-cash amortisation charges in relation to the JOHCM acquisition.

Cash NPAT earnings per share (EPS) for the period was 7.0 cents per share. EPS declined overall compared to the prior corresponding period, reflecting the lower markets during the second half of last calendar year, driven by concerns over European debt markets. The average of the All Ordinaries Index was down 11 per cent compared to the prior corresponding period.

	BTIM Group 1H 2012	BTIM 1H 2011	Movement
• Half year ended 31 March:			
➢ Cash NPAT	$19.7m	$15.6m	⬆ 26%
➢ Statutory NPAT	$11.2m	$14.7m	⬇ 24%
➢ Revenue	$92.9m	$61.4m	⬆ 51%
➢ Cash expenses	$65.7m	$38.9m	⬆ 69%
➢ Base management fee margin	39 bps	34 bps	⬆ 5 bps
➢ Cash earnings per share	7.0 cps	9.8 cps	⬇ 29%
➢ Fully franked dividends	5.5 cps	6.0 cps	⬇ 8%
➢ Average FUM	$44.0bn	$35.6bn	⬆ 23%
• As at 31 March:			
➢ Closing FUM	$45.8bn	$36.1bn	⬆ 27%

Your Board has declared a fully franked interim dividend of 5.5 cents per share. This represents a payout ratio of 80 per cent of Cash NPAT for the period and moves towards a more even distribution of payouts between the interim and final dividends. The dividend will be paid on 2 July 2012 to ordinary shareholders on record at 18 May 2012.

During the half, our focus has been on executing our strategy of expanding capability through the acquisition of JOHCM, delivering on investment performance and reviewing our product range to meet client demand.

The progress made since the JOHCM acquisition has been pleasing with no FUM loss as a result of the transaction, continued positive flows, improved fund ratings and retention of key investment staff. During the first six months since the acquisition, JOHCM FUM has increased by 19 per cent from £6.2 billion to £7.4 billion.

BTIM is positively positioned for growth through the diversification of its business across asset classes, products and geographies. This diversification delivers both resilience in earnings and strong growth opportunities.

I encourage you to review the results in more detail on our website: www.btim.com.au or under company announcements on the ASX website: www.asx.com.au.

Yours faithfully

Brian Scullin
Chairman, BT Investment Management