

BT Investment Management Limited

Annual General Meeting

Friday 6 December 2013



Board of Directors



Carolyn Hewson



Brad Cooper



Meredith Brooks



James Evans



Brian Scullin
Chairman



Emilio Gonzalez
CEO



Andrew Fay

1. **Introduction**
2. **Chairman's Address**
3. **Chief Executive Officer's Address**
4. **Consideration of Financial Reports**
5. **Questions**
6. **Election of Directors**
7. **Adoption of the Remuneration Report**
8. **Non-Executive Director Remuneration**
9. **Meeting closed**

Voting Cards

Shareholder Voting Card



**Entitled to vote
and address the
meeting**

Non-Voting Shareholder Card



**Not entitled to
vote, but may
address the
meeting**

Visitor Card



**Not entitled to
vote or address
the meeting**

Proxy votes

- Proxies must have been received by Link Market Services at least 48 hours prior to the meeting
- Valid proxies received will be displayed prior to the resolution being considered by the meeting.
- All undirected proxies to the Chairman will be voted in favour of Resolutions 2(a) and 2(b) (Election of Directors)

Proxy votes

- Undirected proxies to the Chairman will be voted in favour of Resolution 3 (Adoption of the Remuneration Report), where the Chairman has been expressly authorised to do so
- All undirected proxy votes to the Chairman for Resolution 4 (Non-executive Remuneration) will be excluded from voting
- All resolutions will be decided on a poll

2. Chairman's Address



Brian Scullin

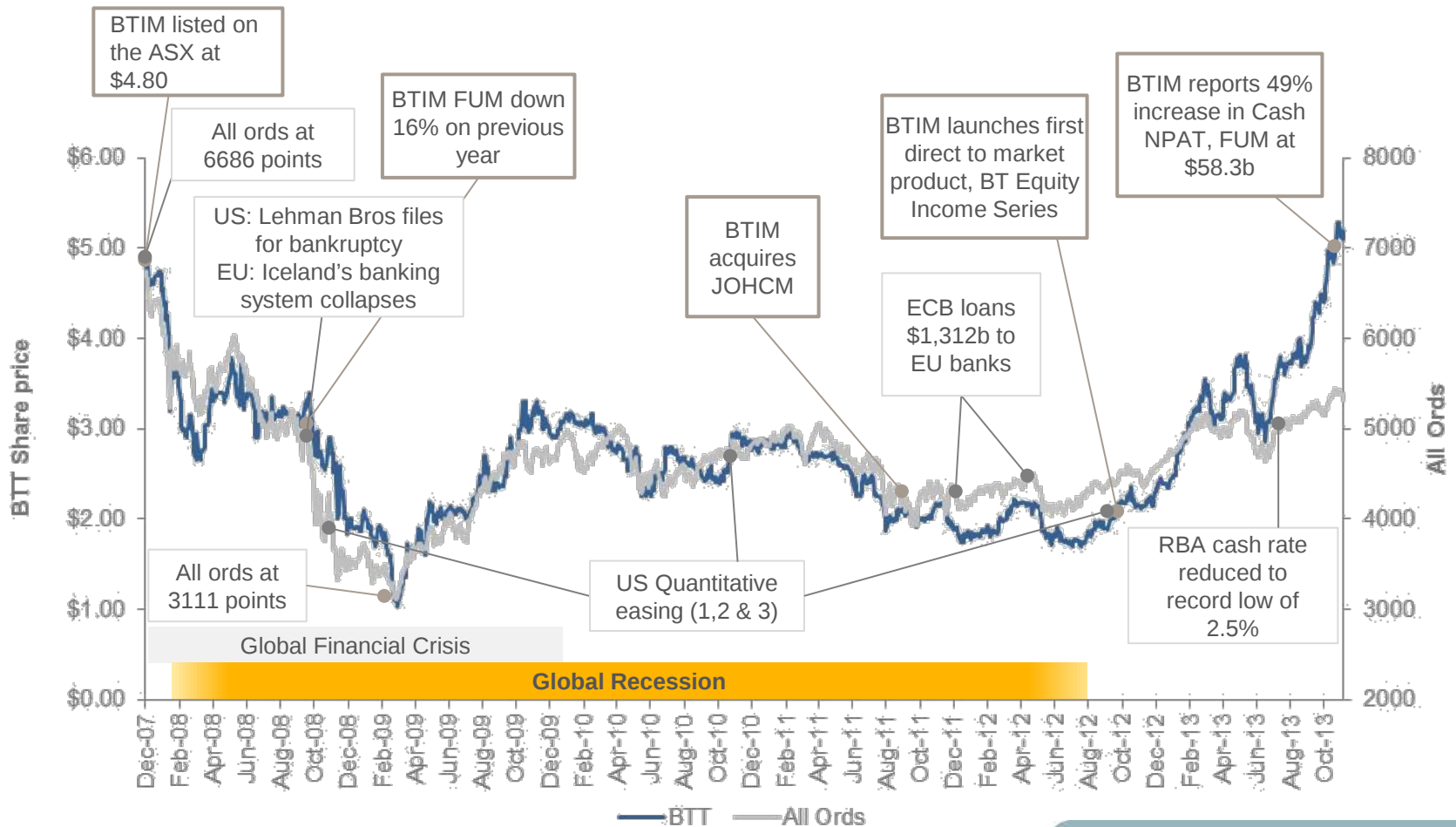
FY13 highlights

- Highest reported Cash NPAT since listing
- Growth in total FUM by 25% to \$58.3 billion
- Stellar performance from JOHCM
- Strong inflows into areas such as income and fixed interest products
- Global reach expanded with opening of US office
- Strategy to produce innovative products for the Australian market proving successful
- Improving markets underpinning strong investment performance across the business
- Awarded Fund Manager of the Year by Money magazine

Capital Management

- Final dividend of 10.0 cps declared, bringing total dividends to 18.0 cps for the year
- Franking levels reduced to 50% for the final dividend reflecting increased diversity of earnings with more earnings coming from JOHCM, our growing business offshore
- Total dividends for the year represent a payout of 85% of Cash NPAT
 - Company target payout ratio of 80-90% of Cash NPAT remains unchanged
- Dividend Reinvestment Plan to remain active for the final dividend at a zero discount

Share Price since listing



Outlook

Business growth momentum continues

- Improving investor sentiment across regions having a positive effect on the business
- Regulation is having an impact on the industry
 - MySuper and FOFA driving structural change around fees
- Compulsory Superannuation Guarantee contributions will continue to drive growth in investable funds
- Focussed on growing our business in offshore markets such as Asia and the US
- New Chairman puts the Company in a position to receive fresh ideas and guidance going forward

3. Chief Executive Officer's Address



Emilio Gonzalez

Financial Highlights

- Cash net profit after tax up 49% to \$61.9 million
- Average funds under management up 15% to \$51.5 billion, closing funds under management up 25% to \$58.3 billion¹
- Revenues up 35% to \$260.4 million
- Pre-tax cash expenses up 32% to \$175.2 million, linked to revenue and investment for growth
- Cash EPS increased 46% as a result of the strong performance
- Strong result provided for a 44% increase in dividends

1. As at 30 September, 2013

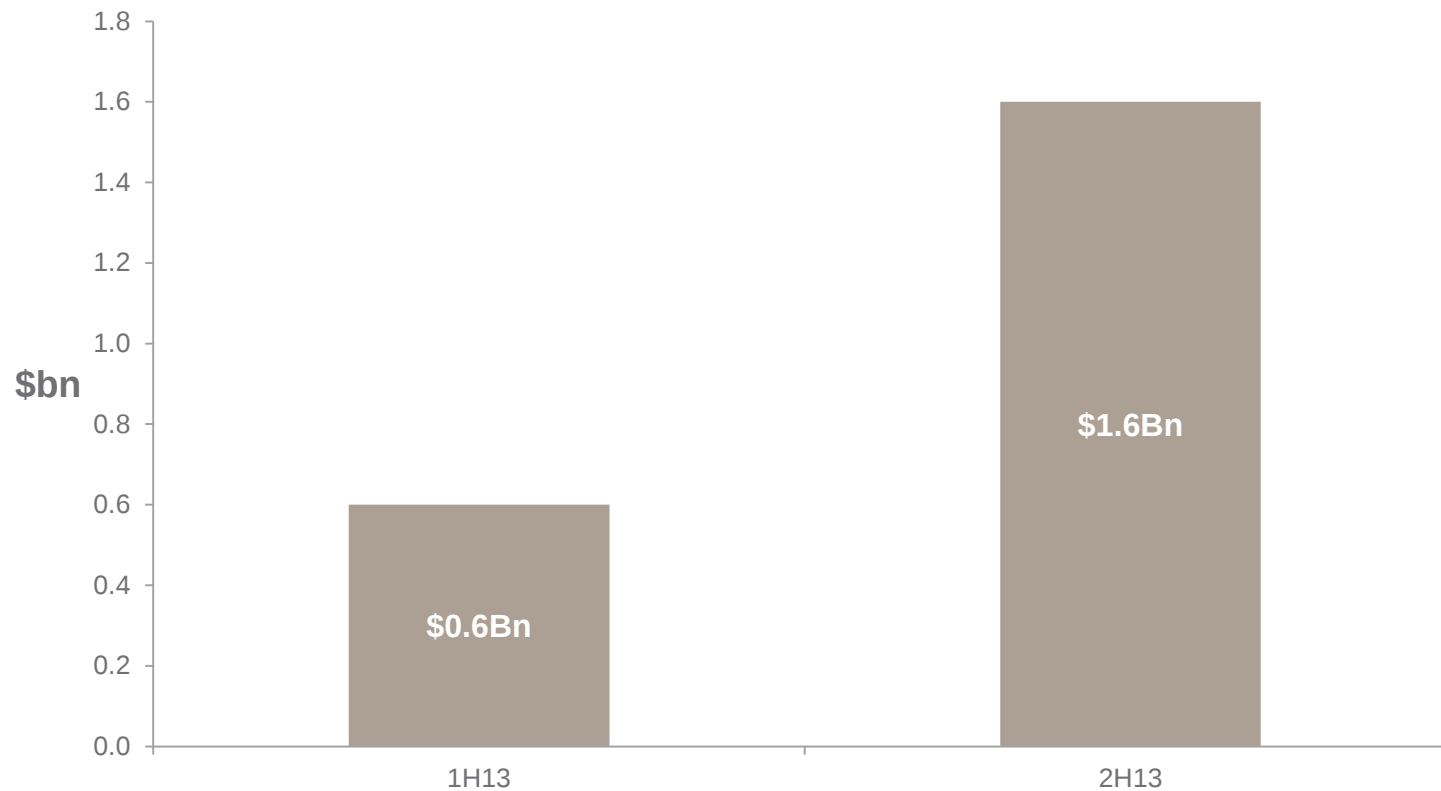
FUM Flows by Asset Class

\$bn	30-Sep-12 Closing FUM	Net Flows		Other ¹	30-Sep-13 Closing FUM
		Core	Legacy		
Australian Equities	10.3	(1.1)	(0.2)	2.3	11.3
International Equities:					
Global	5.3	1.0	(0.0)	2.2	8.5
UK	4.7	1.1	-	1.9	7.7
Europe	2.5	0.2	(0.0)	1.2	3.9
Emerging Markets	1.0	0.2	-	0.3	1.5
Asia	0.8	0.4	(0.0)	0.3	1.5
Property	1.2	0.1	(0.1)	0.2	1.4
Cash	7.1	(0.6)	(0.1)	0.2	6.6
Fixed Income	2.5	1.3	(0.0)	0.2	4.0
Diversified ²	11.1	(0.0)	(0.7)	1.4	11.8
Other	0.1	(0.0)	(0.0)	(0.0)	0.1
Total FUM	46.6	2.6	(1.1)	10.2	58.3

- Income and Fixed Interest net inflows of \$1.3 billion
- UK equities net inflows of \$1.1 billion
- Global equities net inflows of \$1.0 billion
- Japanese equities net inflows of \$0.3 billion
- Australian equities net outflows of \$1.3 billion
- Cash net outflows of \$0.7 billion

1. Other includes market movement, investment performance, distributions & FX
2. Some assets previously classified in individual asset classes have been reclassified as Diversified

BTIM Group Wholesale Flows



Strong Performance across Core Funds

Performance Relative to Benchmark (Period end September 2013)

	1 Year (pa)	3 Years (pa)	5 Years (pa)
BT Institutional Core Australian Share Sector Trust	+5.37%	+1.84%	+1.33%
BT Wholesale Focus Australian Share Fund	+6.35%	+1.22%	+1.65%
BT Wholesale Australian Long Short Fund	+4.04%	+3.17%	N/A
BT Institutional Smaller Companies Sector Trust	+23.33%	+15.56%	+11.81%
BT Wholesale MicroCap Opportunities Fund	+36.28%	+26.01%	+27.08%
BT Wholesale Active Balanced Fund	+3.18%	+0.95%	+0.35%
JOHCM UK Equity Income Fund	+12.19%	+8.19%	+8.54%
JOHCM UK Growth Fund	+21.70%	+6.50%	+6.47%
JOHCM UK Dynamic Fund	+14.78%	+7.76%	+8.15%
JOHCM Continental European Fund	+5.71%	+4.62%	+4.88%
JOHCM European Select Values Fund	+11.44%	+8.60%	+12.09%
JOHCM Global Select Fund	+8.87%	+4.26%	+2.54%
JOHCM International Select Fund	+9.42%	+3.67%	N/A
JOHCM Emerging Markets Fund	+6.92%	+2.54%	N/A
JOHCM Asia ex Japan Fund	+5.22%	N/A	N/A



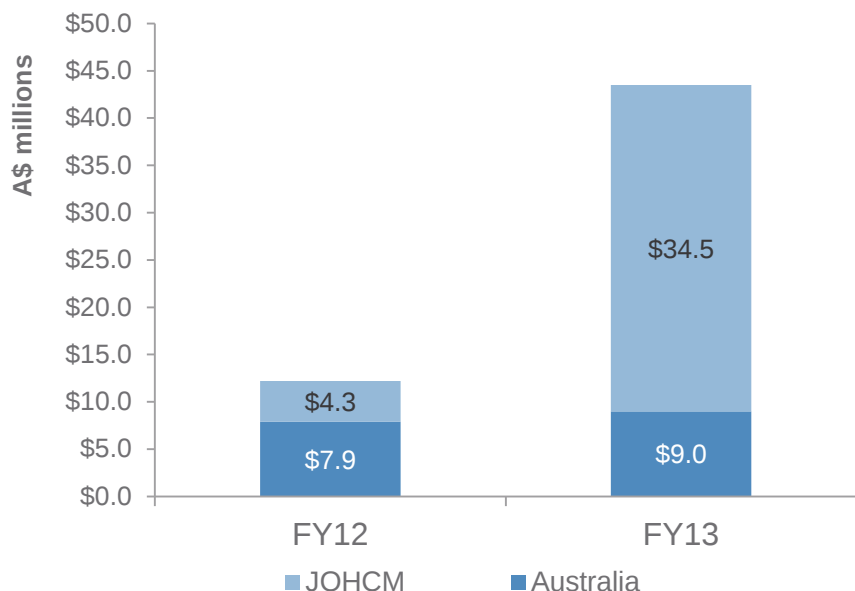
Note: Fund performance is pre-fee, pre-tax and relative to the fund benchmark for period end September 2013

Source: Lipper and Mercer fund rankings as at 30 September 2013

Investment Performance

→ Strong investment performance is producing higher performance fees

**Performance Fees
FY12 and FY13**



- Performance fees for FY13 were \$43.5 million, up from \$12.2 million in FY12
 - Performance fees for JOHCM are recognised on 31 December each year
 - Performance fees for Australian funds are recognised on 30 June each year
- As at 30 September 2013, the value of JOHCM performance fees was \$67.8 million
- Performance fees subject to performance and market movements

Market Dynamics: Global

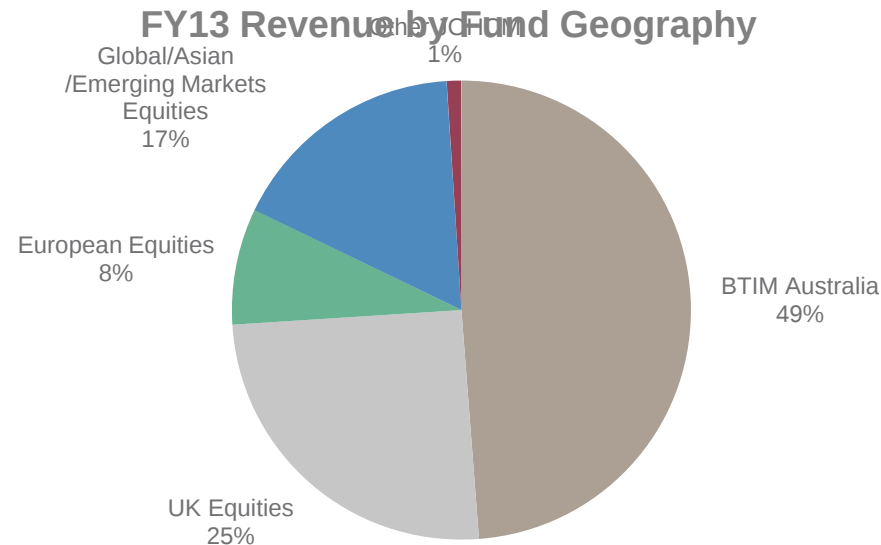
- Yield on equities on a pre-tax basis above cash rate
- Consensus expecting global GDP to improve
- Eurozone concerns dissipated
- 2014 likely to lead to transition period to 'normalised' interest rates
- Monetary policy to remain accommodative well into 2015

Market Dynamics: Australia

- Consumer sentiment highest level in two years
- Long-term movement towards cash unwinding
- Term deposit growth rates slowest since June 2006
- Share market return expectations improved in 2013 for first time since 2009 amongst investors and advisers

Strategy Focus

→ Revenue from International equities now just over 50% of total group revenue



Business has been de-risked through diversification

Strategy Focus

- Grow in new and existing markets via high margin products
- Continue to expand investment capabilities
- Build on existing channels with a focus on increasing the share in the planner/wholesale market

Strategy Focus

- Focus on new products in the Australian market
 - Established the Product Solutions Group, a dedicated team to focus on new products in the Australian market
 - First product launched, Equity Income Series, receiving strong demand
 - \$315 million in first year of launch
- Expanding into new markets offshore
 - Opened an office in New York and hired International Small Cap team to launch a new International Small Cap Fund
- New funds to be launched in FY14 include:
 - International Small Caps Fund (launched 1 October 2013)
 - Global Sharia Fund
 - Global Emerging Markets Small Caps Fund
- Added sales distribution capabilities in the US and Asia

Outlook

- In a strong position to build on success of FY13
- Continue to achieve superior investment performance with positive flow momentum
- FY14 starting FUM 13% higher than average levels of FY13
- Confident of another successful year in FY14
- Focussed on investing in long term growth initiatives

4. Consideration of Reports

To receive and consider the following reports for the financial year ended 30 September 2013:

- Financial Report
- Director's Report
- Auditor's Report

Financial Report and Director's Report - Questions

If you have a question regarding the Financial Report, Directors' Report or the Auditor's Report, please:

- Raise your hand and an attendee will provide you with a microphone
- Show your voting card to the attendant
- Tell the Chairman your name before asking your question



5. Election of Directors

Resolution 2(a) – Election of Meredith Brooks



Election of Meredith Brooks – Questions

If you have a question regarding the election of Meredith Brooks, please:

- Raise your hand and an attendee will provide you with a microphone
- Show your voting card to the attendant
- Tell the Chairman your name before asking your question



Election of Meredith Brooks – Proxy Votes

The following proxies have been received for this resolution:

Votes for:	200,006,428	97.6%
Undirected votes:	4,653,199	2.3%
Votes against:	174,203	0.1%
Total:	204,833,830	100.0%

Election of Meredith Brooks – Voting Card

SHAREHOLDER / PROXYHOLDER ADMISSION / VOTING CARD			
POLL VOTING			
In a poll, please mark a box below to indicate your voting intention			
	For	Against	Abstain
Resolution 2(a) Elect Meredith Brooks as a Director	☐	☐	☐
Resolution 2(b) Re-elect Andrew Fay as a Director	☐	☐	☐
Resolution 3 Adoption of the Remuneration Report	☐	☐	☐
Resolution 4 Non-executive Director Remuneration	☐	☐	☐

→ Please vote by marking the “**For**”, “**Against**” or “**Abstain**” box with a tick (✓) cross (✕) or other mark, against Resolution 2(a)

→ Please retain your voting card until you have voted on the final resolution

5. Election of Directors

Resolution 2(b) – Re-election of Andrew Fay



Re-election of Andrew Fay – Questions

If you have a question regarding the re-election of Andrew Fay, please:

- Raise your hand and an attendee will provide you with a microphone
- Show your voting card to the attendant
- Tell the Chairman your name before asking your question



Re-election of Andrew Fay – Proxy Votes

The following proxies have been received for this resolution:

Votes for:	200,026,499	97.6%
Undirected votes:	4,655,688	2.3%
Votes against:	162,364	0.1%
Total:	204,844,551	100.0%

Re-election of Andrew Fay – Voting Card

SHAREHOLDER / PROXYHOLDER ADMISSION / VOTING CARD			
POLL VOTING			
In a poll, please mark a box below to indicate your voting intention			
	For	Against	Abstain
Resolution 2(a) Elect Meredith Brooks as a Director	☐	☐	☐
Resolution 2(b) Re-elect Andrew Fay as a Director	☐	☐	☐
Resolution 3 Adoption of the Remuneration Report	☐	☐	☐
Resolution 4 Non-executive Director Remuneration	☐	☐	☐

→ Please vote by marking the “**For**”, “**Against**” or “**Abstain**” box with a tick (✓) cross (✕) or other mark, against Resolution 2(b)

→ Please retain your voting card until you have voted on the final resolution

6. Adoption of the Remuneration Report



The Chairman of the Remuneration & Nominations Committee, Andrew Fay will address the meeting in relation to the Company's Remuneration Report.

Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following ordinary resolution:

To adopt the Company's Remuneration Report for the year ended 30 September 2013.

Adoption of the Remuneration Report – Questions

If you have a question regarding the Remuneration Report, please:

- Raise your hand and an attendee will provide you with a microphone
- Show your voting card to the attendant
- Tell the Chairman your name before asking your question



Adoption of the Remuneration Report – Proxy Votes

The following proxies have been received for this resolution:

Votes for:	198,947,119	97.3%
Undirected votes:	4,663,600	2.3%
Votes against:	886,153	0.4%
Total:	204,496,872	100.0%

Adoption of the Remuneration Report – Voting Card

SHAREHOLDER / PROXYHOLDER ADMISSION / VOTING CARD			
POLL VOTING			
In a poll, please mark a box below to indicate your voting intention			
	For	Against	Abstain
Resolution 2(a) Elect Meredith Brooks as a Director	☐	☐	☐
Resolution 2(b) Re-elect Andrew Fay as a Director	☐	☐	☐
Resolution 3 Adoption of the Remuneration Report	☐	☐	☐
Resolution 4 Non-executive Director Remuneration	☐	☐	☐

→ Please vote by marking the “**For**”, “**Against**” or “**Abstain**” box with a tick (✓) cross (×) or other mark, against Resolution 3

→ Please retain your voting card until you have voted on the final resolution

7. Non-executive Director Remuneration

To consider and, if thought fit, to pass the following ordinary resolution:

To increase the maximum amount of annual remuneration that may be paid to Non-executive Directors of the Company from \$800,000 per annum to \$1,000,000 per annum, with effect from 1 January 2014.

Non-executive Director Remuneration – Questions

If you have a question regarding the resolution relating to Non-executive Director Remuneration:

- Raise your hand and an attendee will provide you with a microphone
- Show your voting card to the attendant
- Tell the Chairman your name before asking your question



Non-executive Director Remuneration – Proxy Votes

The following proxies have been received for this resolution:

Votes for:	198,953,657	97.2%
Undirected votes:	4,667,328*	2.3%*
Votes against:	976,954	0.5%
Total:	204,597,939	100.0%

* Undirected proxy votes for this resolution will be excluded from voting.

Non-executive Director Remuneration – Voting Card

SHAREHOLDER / PROXYHOLDER ADMISSION / VOTING CARD

POLL VOTING

In a poll, please mark a box below to indicate your voting intention

	For	Against	Abstain
Resolution 2(a) Elect Meredith Brooks as a Director	☐	☐	☐
Resolution 2(b) Re-elect Andrew Fay as a Director	☐	☐	☐
Resolution 3 Adoption of the Remuneration Report	☐	☐	☐
Resolution 4 Non-executive Director Remuneration	☐	☐	☐

→ Please vote by marking the “**For**”, “**Against**” or “**Abstain**” box with a tick (✓) cross (x) or other mark, against Resolution 4

→ Once you have completed voting, please hand your voting card to the returning officer.

Voting papers

Please place your completed voting papers in the ballot boxes provided by Link Market Services.

The results of the polls will be available later this afternoon at:

www.btim.com.au

or

www.asx.com.au

9. Meeting Closed

The formal part of the meeting is now closed.

Please remain for presentations by:

Vimal Gor, Head of Income & Fixed Interest

and

Jim Taylor, Portfolio Manager, Australian Equities

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