

ASX Release

13 January 2014

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BT Investment Management Limited (BTIM) – funds under management (FUM) for the quarter ended 31 December 2013 and performance fees for J O Hambro Capital Management (JOHCM) for the year ended 31 December 2013

Funds under management

(AUD \$bn)	30-Sep-13 Closing FUM	Net Flows ¹	Other*	FX Impact ³	31-Dec-13 Closing FUM
Institutional	14.8	(0.5)	0.3	-	14.6
Wholesale	4.6	0.1	0.1	-	4.8
Westpac/BTFG					
- Legacy Retail	9.6	(0.3)	0.3	-	9.6
- Other	8.8	(0.0)	0.2	-	9.0
TOTAL BTIM FUM	37.8	(0.7)	0.9	-	38.0
Segregated Mandates ²	7.5	0.0	0.5	0.5	8.5
OEIC/US Mutual Funds	13.0	0.9	0.9	1.0	15.8
TOTAL JOHCM FUM	20.5	0.9	1.4	1.5	24.3
TOTAL FUM	58.3	0.2	2.3	1.5	62.3

*Other includes market movement, investment performance, and distributions

Notes:

1. BTIM experienced net outflows during the quarter largely attributable to institutional cash and fixed income redemptions (-\$0.4bn) and the ongoing run-off of the legacy book (-\$0.3bn). Positive wholesale flows were driven by net inflows of \$130m into the BT Wholesale Equity Income funds during the quarter.

JOHCM experienced net inflows during the quarter predominantly into their OEIC funds where the UK funds (+\$0.3bn) and European funds (+\$0.4bn) were the key contributors. A further \$0.2bn in net inflows came into the global/international US mutual funds.

The effect on BTIM Group revenue of net flows during the quarter is positive resulting in an increase to annualised fee income of \$6.7m.

2. For JOHCM FUM, \$0.6bn has been reclassified from Segregated Mandates to the OEIC/US Mutual fund line. During the quarter JOHCM established a mutual fund range in the US where JOHCM were appointed adviser to the funds. Previously the same funds were being managed by JOHCM through a sub-advisory arrangement and disclosed within Segregated Mandates. There is no change to total FUM as at 30 September 2013 as a consequence of this reclassification.
3. The Australian dollar weakened relative to the pound during the quarter with the GBP/AUD rate moving from 1.00/1.7340 as at 30 September 2013 to 1.00/1.8447 as at 31 December 2013.

JOHCM Performance Fees

JOHCM performance fees for the year ended 31 December 2013 have now been accounted for totalling \$111.4m (£60.4m) in fee revenue. A total of fourteen fund strategies contributed to the performance fee compared to eight fund strategies that contributed in the year to 31 December 2012.

The performance fees will contribute approximately \$40.0m to BTIM's cash net profit after tax (and statutory net profit after tax) for the current financial year. The JOHCM performance fees are materially higher than the \$34m (£22m) received for the prior corresponding period which contributed \$12.2m to BTIM's cash net profit after tax (and statutory net profit after tax) for the financial year ended 30 September 2013.

BTIM's annual performance fees are generally for a 30 June performance period and will be brought to account in the second half of the financial year.

For further information on this announcement, please contact:

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