

19 August 2020

## Equity Trustees delivers strong funds growth in challenging environment

### Growth strategy underpins steady financial performance

- Funds under management, administration and supervision reach \$101 billion, 19% higher
- Revenue up 3.2% to \$95.4 million
- Net profit before tax \$30.3 million compared with \$31.3 million in FY19
- Underlying earnings per share down 5.5% to 102.66 cents
- Basic earnings per share of 92.95 cents impacted by one-off tax provision
- Substantial investment in capability underpinning success
- Capitalising on industry trend to outsource fiduciary role
- Final dividend of 43 cents per share; total dividend for the year maintained at 90 cents per share
- Planned Board succession changes to occur at the Annual General Meeting (AGM)

EQT Holdings Limited (ASX: EQT) (Equity Trustees), today announced that significant growth in funds under management and supervision (FUMAS) in the year ended 30 June 2020 had largely offset the downturn in equity markets and helped to produce a solid overall result.

FUMAS broke through \$100 billion at year end, rising 19% to \$101 billion, and then to \$115 billion in August 2020, driven by several significant new client wins that confirmed Equity Trustees' strategy of investing for growth.

The increase drove revenue 3% higher to \$95 million, with net profit before tax down for the year at \$30.3 million, while expenses increased 6%, reflecting the Group's continued investment in preparing for new business.

Shareholders will receive a final dividend of 43 cents per share, resulting in the total dividend for the year being unchanged at 90 cents per share.

Chairman Jeff Kennett AC said: "2020 has been a difficult year for so many parts of society, but I am pleased that Equity Trustees has continued to perform strongly for those for whom we act in matters of Trust: our clients, our shareholders, and for those individuals and organisations we are able to support through philanthropic grants, as a result of the generosity and foresight of benefactors for whom we continue to act.

"As a trusted specialist fiduciary, EQT has again demonstrated great resilience in one of Australia's most challenging times and without any government financial support."

Managing Director Mick O'Brien said he was particularly pleased with the strong growth in FUMAS and revenue.

"Our strategy of investing for growth is bearing fruit, with significant new business obtained during the year, adding a range of new, high-quality clients. All areas of the business performed well and would have delivered even stronger results were it not for the equity market downturn."



TWS revenue increased 3%, with a solid underlying performance in the traditional trusts, estates and philanthropy businesses and strong growth in superannuation.

"The growth in our Superannuation Trustee Office is particularly rewarding as we have been investing heavily and the business is really starting to accelerate," Mr O'Brien said.

CTS revenue was up 5%, with a steady performance in Australia supported by the UK/Ireland continuing to build and attract new clients.

Net profit after tax was down, reflecting the impact of volatile markets, continued investment in people and technology to support future growth, and a tax provision relating to the tax treatment of an acquisition made in the 2011 financial year.

Mr O'Brien said: "Equity Trustees is in a great position. We have established businesses that are well suited for these challenging times, and we have a number of newer growth businesses, a pipeline of opportunities and a strong balance sheet.

"While market volatility will continue to influence the Group's financial performance, the outlook is positive.

"Demand for our specialist trustee services continues to rise, and our fiduciary skills and high standards of governance are standing us in good stead."

Chairman Jeff Kennett further added "As part of good governance and planned Board succession, I and my colleague Alice Williams will step down at the conclusion of the Company's AGM in October.

"I thank Alice for extraordinary service to EQT and the rigour she has brought to our deliberations.

"I am happy to announce that the Board has resolved that Ms Carol Schwartz AO will succeed me as Chair of Equity Trustees, again from the AGM."

Ms Schwartz is a non-executive Director of the Reserve Bank of Australia, a Member of the Advisory Board of Qualitas Property Partners, former Chair of Industry Superannuation Property Trust, past director of Stockland Group Limited and experienced philanthropist. Her full biography is available in the Directors' Report released today.

Mr O'Brien said: "Finally, I would like to thank our people. In this incredibly tough year, we have held our own, thanks to their dedication and resilience. The transition to working from home was seamless and enabled the Group to continue fulfilling its trustee obligations and delivering excellent client service."

*The Equity Trustees Board has authorised that this document be given to the ASX.*



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## **FURTHER INFORMATION**

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Equity Trustees was established in 1888 for the purpose of providing independent and impartial Trustee and Executor services to help families throughout Australia protect their wealth. As Australia's leading specialist trustee company, we offer a diverse range of services to individuals, families and corporate clients including asset management, estate planning, philanthropic services and Responsible Entity (RE) services for external Fund Managers. Equity Trustees is the brand name of EQT Holdings Limited (ABN 22 607 797 615) and its subsidiary companies, publicly listed company on the Australian Securities Exchange (ASX: EQT) with offices in Melbourne, Bendigo, Sydney, Brisbane, Perth and London.