

MARKET RELEASE

28 November 2007

SNOWBALL GROUP LIMITED
ASX:SNO

ANNUAL GENERAL MEETING

MANAGING DIRECTOR'S PRESENTATION TO SHAREHOLDERS
(following the Chairman's Address)

Thank you Quentin and good morning.

Quentin spoke briefly about our progress and achievements during the 2007 financial year. I am intending to elaborate on our progress and to recap on our growth strategies for the 2008 financial year and beyond.

The 2007 Financial Year

Details of the progress made during the 2007 financial year were set out in full in the 2007 Annual Report. In short, 2007 heralded another year of strong performance for the Group - as Quentin mentioned, a year in which our funds under advice doubled and the pro-forma EBITDA (earnings before interest, tax, depreciation and amortisation) grew by 32%.

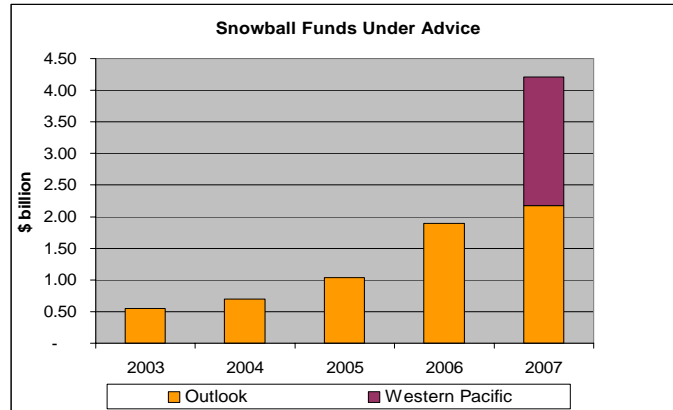
As can be seen from the following graphs:

- FUA (funds under advice) have grown steadily from 2003 to 2007, up from just over \$500 million to \$4.2 billion at the end of 2007.
- Revenue from both Western Pacific and Outlook, our two complementary financial planning businesses, has similarly increased steadily each year from 2003 to 2007.

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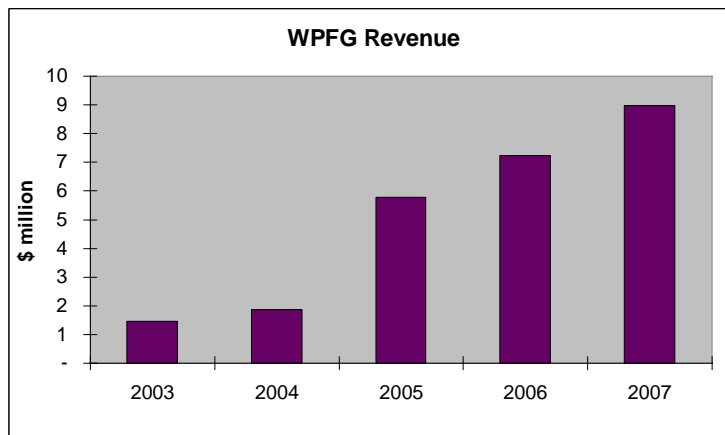
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Funds under advice has more than doubled



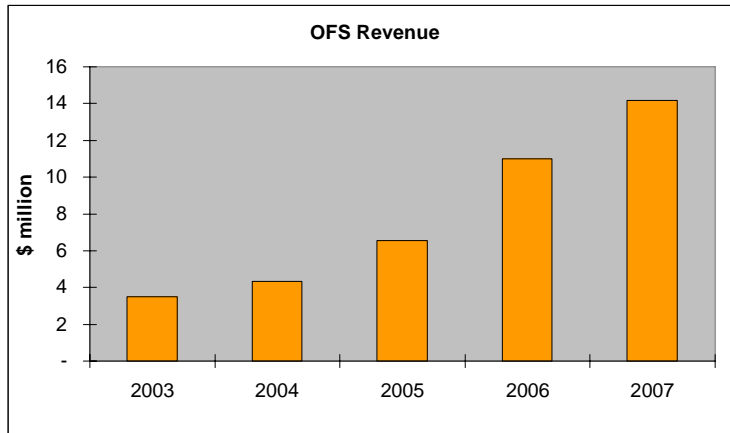
An increase in funds under advice to over \$4.2 billion has delivered revenue synergies for 2006/7 and beyond

**A history of strong growth in financial planning
...Western Pacific**



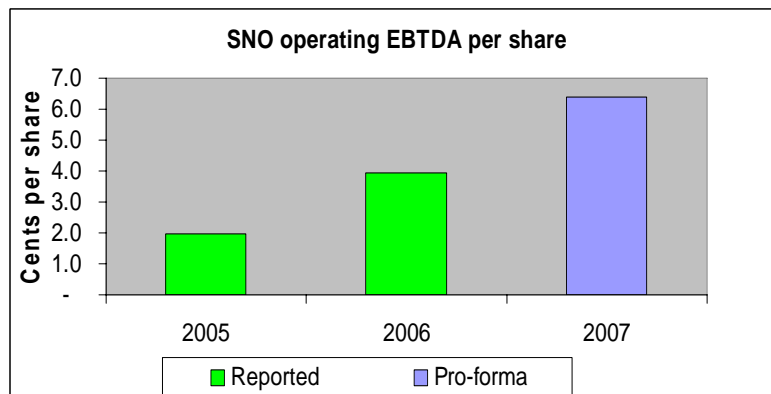
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**A history of strong growth in financial planning
...Outlook**



- As expected, therefore, our operating EBTDA per share (earnings before tax, depreciation and amortization) has also grown steadily as the next graph illustrates.

Operating EBTDA per share continues to grow



Your company was the fastest growing financial services dealer group in the 2007 financial year, as surveyed by the industry magazine, **IFA (“07 Dealer Group Survey”**, 12 November 2007), moving up twenty-four places in the survey, as measured by net addition of advisers during the period. This largely resulted from the merger with Western Pacific and the investment in our telephone advice centre, the latter catering to customers requiring limited and event-driven advice that can be cost effectively delivered over the phone using specially trained advisers and various technology driven processes.

The 2007 financial year operational performance was also set out in the Annual Report and I am not proposing to repeat the details here. I would like to draw your attention, however, to some highlights particularly as they relate to the productivity of our advisers and the progress we have made in finding innovative ways to broaden the scope of our advice services and to enhance operating efficiencies so that the customer and our shareholders both benefit.

Adviser productivity: Citi Investment Research recently published a research paper on our industry. The research focused specifically on adviser productivity in the aligned channel (i.e. institutionally owned dealer groups such as those owned by AXA, NAB and AMP). The research was titled **“Wealth Management Insights”** and was published on 18 September 2007.

One core finding of the Citi research was that *“with many supply side factors constraining growth in planner numbers, improving planner productivity will be essential for many aligned dealer groups even to maintain the status quo”*. In other words, given the difficulty of finding and recruiting quality advisers, increasing the productivity of an organisation’s current adviser base is critical in ensuring overall business growth – something we have long acknowledged and pursued.

Although the research was confined to the “aligned” adviser channel, our productivity ratios compare very favourably to those published in the Citi research. Comparisons with other industry surveys also bear this out. The table reproduced on the screen illustrates the point.

Benchmark	Citi research “aligned” channel average	Western Pacific average	Outlook average
FUA per planner	A\$23 million	A\$37 million	A\$67 million
Revenue per planner	A\$120,000	A\$413,000	A\$415,000

Notes: The Citi research relates to aligned dealer groups in-house products and excludes revenues from legacy products, risk business and an adjustment for corporate super FUA (80% has been excluded for the purpose of the research). The FUA per planner for the Outlook channel also excludes 80% of corporate super FUA (and the associated revenue) and all risk revenues. As both Western Pacific and Outlook are non-institutionally aligned dealer groups, all platform and retail products are included in the calculations. Further, Outlook telephone advisers are excluded from the calculations as they operate under a different model. Figures are as at 30 June 2007.

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Overall, in the 2007 financial year, productivity and efficiency initiatives contributed to a 27% increase in revenue per Outlook adviser, and Western Pacific was similarly able to increase its revenue by 24%.

Operating efficiencies and telephone advice: The 2007 financial year saw our telephone advice centre grow significantly. Telephone advice involves extensive use of systems and processes to deliver scripted fact finds, uniform data collection and automatically generated Statements of Advice.

Telephone advice is particularly suited to the provision of “limited” or “life stage” advice packages (as it is becoming known in the industry), which include basic superannuation, insurance and estate planning advice.

Growth Strategies

The best way to illustrate our strategy is to talk about specific initiatives that we are undertaking this financial year. In this regard, I re-visited the strategy as set out on page 8 of the Annual Report and have briefly touched on some current initiatives in this address.

Growing the sales, revenue and profitability of both Western Pacific and Outlook

- In relation to the Outlook channel, initiatives include:
 - The appointment of managers specifically responsible for the servicing of our affinity partners (corporations, credit unions and industry funds) with a view to enhancing service levels and generating leads and repeat business from those sources
 - Further enhancements to our lead generation and management systems
 - The development of additional product lines such as estate planning and Separately Managed Accounts (an alternative to managed funds, catering to direct share investments held by customers).
- In relation to the Western Pacific channel, initiatives include:
 - Enhancing the reporting that is provided to clients
 - Leveraging client communications deployed within the Outlook channel and adapting material for use by the Western Pacific practices (consistent with our intention to explore ways to achieve the “best of both worlds” by sharing intellectual property between the two groups of advisers)
 - Enhancing the adviser payment, cash flow and revenue sharing systems.

Recruiting (from within or externally selected advisers in both channels)

- In the 2007 financial year, we recruited a team of telephone advisers and are planning to further scale up the telephone advice centre, as we grow that particular capability within the Group as a whole.
- In addition to continuously seeking to further increase adviser productivity, we are looking to selectively recruit additional advisers into both the Western Pacific and Outlook channels.

“Wholesaling” our advice model to affinity partners

- We are currently in discussions with a number of affinity partners regarding the provision of our advice model to meet the demand of their employees and members for financial education, guidance and advice, including both telephone and face-to-face advice.

Growing by acquisition and merger

- A highlight is that we have agreed to acquire a \$120 million FUA financial planning business based in Sydney’s northern suburbs and also servicing the NSW central coast. This acquisition is expected to be effective from January 2008 and is budgeted to deliver an additional EBITDA of over \$500,000 in the first full year of integration, which will add around 0.20 cents per share in earnings over the same period.
- We are actively pursuing other acquisition and merger opportunities and are encouraged by the progress to date with a number of potential acquisitions currently under consideration.

Progress to Date

As mentioned earlier in the Chairman’s Address, progress to date has been pleasing and year to date (i.e. as at 31 October 2007), we are ahead of budget and above market guidance.

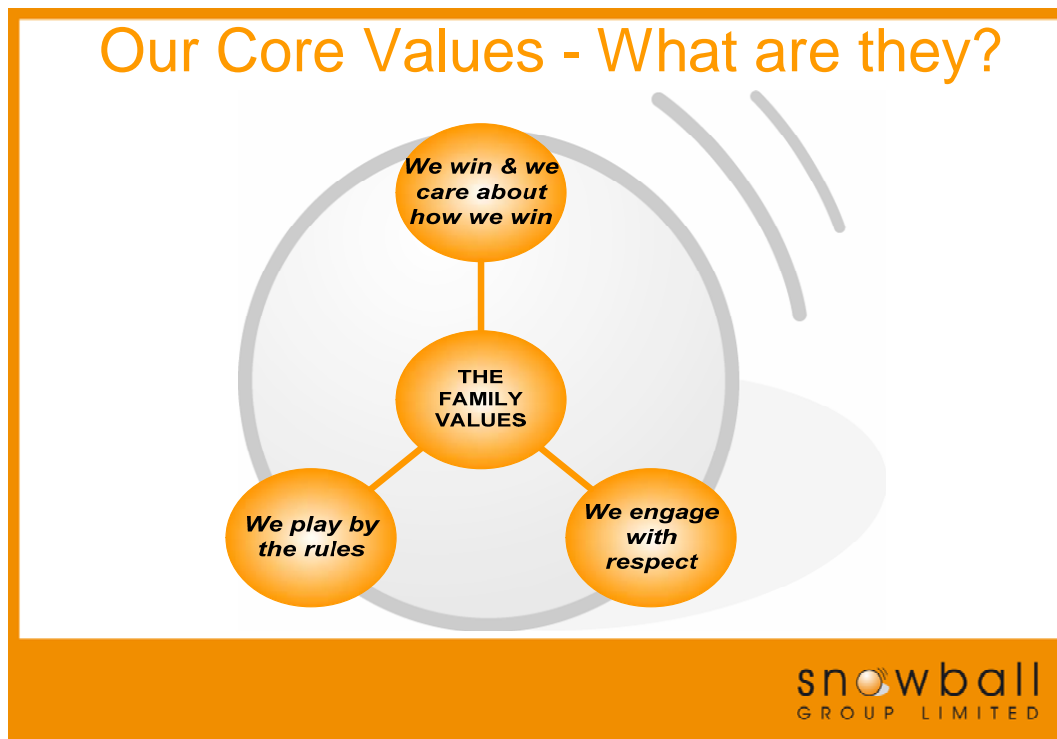
Given the current volatility in financial markets and consistent with our past practice, we consider it prudent to maintain our guidance for organic growth in EBITDA for the 2008 financial year at 15% (assuming no major dislocations in financial markets). This guidance excludes any uplift from acquisitions such as those described earlier.

I am going to finish this address with a description of our core values. Not because they are more important than our financial performance or our strategy going forward, but more because we make much of our sustainability and those attributes that set us apart from an increasing array of financial services companies that have, or are about to, hit the boards. While not every person within the Western Pacific and Outlook businesses may use precisely the same words to articulate the core values, they collectively and uniformly apply these values. Further, they are the values that

we look for in other businesses that we may be seeking to acquire, merge with or partner in the provision of financial education, guidance and advice to Australians from all walks. Accordingly, they become important in expressing the longer term value and sustainability of your company.

The core values are illustrated in the next slide making the point that we:

- Play to win (as can be seen from our financial performance and growth rates to date), but care about how we win.
- Engage each other, our customers, our suppliers, our shareholders and all our stakeholders with respect. I trust you, as shareholders have seen that first hand.
- Are compliant, playing not only by the letter of the law but also observing the spirit of the law.



Quentin made a point of thanking our staff. I would like to add my personal thanks and also that of the senior management team in recognising the continued commitment and pursuit of excellence by the team. I would also like to thank our shareholders for their on-going support and, on their behalf, we look forward to capitalising on the positive start to the financial year.