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GROUP LIMITED

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**SNOWBALL GROUP LIMITED**
**ABN 81 006 490 259**
ASX: SNO

## FURTHER ACQUISITIONS AND GUIDANCE UPDATE

**Acquisitions**
Following the successful acquisition of IFP late last year (the $120 million Hornsby based financial planning practice), Snowball has today announced that it has agreed terms to acquire a right to revenue generated by three, well-established Sydney-based financial planning practices.

Under this arrangement, the three practices will operate under the Western Pacific licence.

The practices are owned by highly regarded advisers, whose areas of specialisation and location complement Snowball's existing operations in New South Wales. Bringing these three Sydney metropolitan practices under the Western Pacific umbrella will add around $200 million of funds under advice to Snowball.

Under the terms of the acquisition, Snowball will acquire a fixed proportion of the combined practices' revenue stream under a fifty year contract. The acquisition mirrors the structure put in place with the Western Pacific practices at the time of the merger between Snowball and Western Pacific Financial Group in February 2007.

The acquisition will be funded by a combination of cash and Snowball shares, and is earnings per share accretive from the outset.

Overall, this acquisition when combined with the earlier IFP transaction, is forecast to contribute around $0.8 million to $1.0 million profit (EBITDA) to Snowball, on an annualised basis.

Snowball Managing Director, Tony McDonald, said these recent deals illustrate the two distinct types of acquisition arrangements that fall within the company's clearly defined growth strategy, which has been a significant factor in Snowball's strong operating performance to date.

"IFP represented a 'tuck-in' to our Outlook Financial Solutions channel. This most recent acquisition is structured under the "franchise" model we developed with Western Pacific", said McDonald.

"In our view there is no effective one-size-fits-all template when it comes to helping planners manage their future growth, and ultimately their own succession. Snowball's proven M&A approach recognises the needs of different styles of practices at different

stages of their development and is now producing significant benefits for those planning groups that have joined the Snowball family under either arrangement," added McDonald.

**Guidance Update**

In relation to organic growth, notwithstanding the current market volatility, Snowball maintains its guidance for organic year-on-year growth in EBITDA for the 2008 financial year of 15%. This guidance remains unchanged from our previous market update provided at the Annual General Meeting in November 2007 and assumes no further major dislocations in financial markets.

As we indicated at the AGM, this guidance excludes any uplift from acquisitions. The uplift from the acquisitions referred to in this release is in addition to the stated 15% organic growth.

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