

**MARKET RELEASE**

**5 May 2008**

**SNOWBALL GROUP LIMITED**  
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ASX: SNO

**ACQUISITION OF CORPORATE SUPERANNUATION SPECIALIST**

Listed financial services company Snowball Group Limited has agreed terms to acquire the assets of Mastertek Benefit Consultants Pty Limited (MBC), a specialist corporate superannuation business.

MBC specialises in providing superannuation and related risk insurance services to large, brand name corporates. MBC also has a relationship with technology developer Avant Solutions Pty Limited (Avant), through which MBC provides superannuation clients with an innovative personalised member reporting facility.

Snowball is also entering into a commercial service arrangement with Avant to ensure the continuation, enhancement and further development of the Avant reporting tools. This will include the extension of the Avant personalised member reporting into Snowball's existing corporate client base.

Under the terms of the deal, Snowball will acquire all of the assets of MBC. The acquisition will be financed from a combination of available cash reserves and Snowball's banking facility.

As with other acquisitions announced earlier this financial year, the MBC purchase is consistent with Snowball's acquisition strategy. The transaction is earnings per share accretive to Snowball and meets the company's criteria for first year profit contribution and overall forecast investment rate of return.

Snowball has been active in the corporate superannuation market since its inception. By joining forces with MBC, the company cements its position as a leading specialist provider of superannuation services to corporations and their employees.

The acquisition brings Snowball's total corporate superannuation funds under advice (FUA) to close to \$1 billion and the number of employees serviced to over 20,000. FUA are held on a range of leading administration platforms, consistent with Snowball's objective of providing platform-independent advice.

Snowball's corporate superannuation business unit, incorporating MBC, will operate under the Outlook Financial Solutions (Outlook) licence. Highly regarded corporate superannuation specialist, Shane Hancock, a director of Avant, who also has a long-standing relationship with MBC, will join Snowball as head of its expanded corporate superannuation business unit. He will work closely with Outlook's David Pawson to continue building and implementing Snowball's suite of corporate superannuation services.

Snowball Managing Director Tony McDonald said "the acquisition of MBC is strategically important to Snowball as it strengthens our position as an innovative leader in the field of corporate superannuation and the servicing of both employers and employees for all of their superannuation needs."

"We also acquire access to added value in the form of the personalised reporting technology developed by Avant. We plan to roll out this service across the Snowball network, enhancing our ability to provide innovative member servicing to our corporate clients. We will also be rolling out the specialist Outlook financial planning services to MBC's clients. This is about enhancing our future growth prospects in the corporate superannuation market," he said.

"Both MBC and Avant are a very neat structural fit with our existing corporate superannuation core business operating under the Outlook model. These arrangements will generate substantial economies of scale and facilitate member-friendly communication enhancements through the Avant offering. Our corporate clients will now have access to a full suite of best-in-class services, with the combination of telephone advice, life-stage education programs and innovative personalised member reporting," said McDonald.

"There is also a strong cultural fit. Like MBC, we pride ourselves on being able to arrive at the right solution for the corporate client, advising on a range of super administration and investment options, without the constraints of one in-house product or an ownership structure tied to a particular solution. We will continue to provide bespoke solutions to our corporate super clients using a full array of products available in the market and our own packaged solutions, fully supported by Outlook financial planners," he said.

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