

MARKET RELEASE

14 JANUARY 2009

SNOWBALL GROUP LIMITED
ABN 81 006 490 259
ASX:SNO

CONTINUING ACQUISITION ACTIVITY

Snowball announces that, as foreshadowed at the Annual General Meeting on 24 November, it has executed a binding agreement to acquire of all of the business assets of Money Mentors (Qld) Pty Ltd, a well established financial planning business in Brisbane. Money Mentors has approximately \$80 million of funds under advice, most of which sits on one of Snowball's preferred platforms. Money Mentors will operate under the Australian Financial Services Licence of Snowball's *Outlook Financial Solutions* with effect from 1 February 2009.

Snowball's Chief Operating Officer, Mr Carl Scarcella said "Money Mentors completes our presence on the east coast and provides servicing capability for Outlook's key accounts in Brisbane as well as creating opportunities for new growth through Money Mentors' quality referral base."

The acquisition will be financed by a drawdown from Snowball's banking facility. Consistent with all of Snowball's acquisitions, the transaction is earnings per share accretive to Snowball, with a forecast EBITDA¹ contribution of over \$400,000 for the first full year of operation.

Snowball also advises that it has agreed terms to acquire a high quality corporate superannuation business in Adelaide.

"Our proposed Adelaide acquisition, which follows our recent acquisition of the MBC corporate super business in July of last year, is proof of our continuing commitment to corporate super as a means of diversifying our revenue base and securing sustainable growth and also reflects our desire to be recognised as the pre-eminent provider of corporate super solutions to Australian companies and their employees" said Mr Scarcella.

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This acquisition, which is expected in the first quarter of calendar 2009, will increase Snowball's funds under advice by approximately \$100 million.

Mr Scarcella added "Snowball has a number of further acquisition opportunities in the pipeline and we will continue to pursue our proven acquisition strategy of buying quality businesses that are earnings accretive, culturally and operationally aligned and fairly priced. Our strong cashflows together with our established bank facility and lowly geared balance sheet mean that we are able to fund future acquisitions without compromising our conservative position in relation to Snowball's gearing levels".

¹ EBITDA means earnings before interest, tax, depreciation and amortisation.

For further information contact:

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