ASX Announcement

Year Ended 30 June 2009

Snowball guidance exceeded through diversification and cost containment

Highlights
o **EBITDA of $10.001m exceeds guidance** o **Organic operating costs reduced** o **Acquisitions performing to expectations** o **NPAT down 9% to $5.299m against market falls of 26%** o **Final dividend of 2.0 cents per share**

Despite the challenging investment markets, Snowball has delivered a strong result for the reporting period. Snowball's diversified advice business and conservatively positioned investment portfolios, together with its proven acquisition strategy and ability to contain costs, have stood the Group in good stead.

Achievement of market guidance

Snowball's earnings before interest, tax, depreciation and amortisation (EBITDA) result of $10.001m for the 2009 financial year is 91% of the reported result of $10.989m achieved in 2008, exceeding previous market guidance. Operating EBITDA (being EBITDA excluding the $0.732m profit on the OTAS sale) was down 15%, reflecting the fall in revenue due to market declines.

Net profit after tax (NPAT) attributable to equity holders decreased by 9% compared to the prior corresponding period (i.e. down from $5.823 million to $5.299 million). Earnings per share (excluding amortisation) decreased by 8% from 4.88 cents per share to 4.49 cents per share.

The result reflects the benefit of judicious cost containment as well as protection from the full effect of market declines due to the Group's diversified business (financial advice, insurance, corporate superannuation and accounting) and investment portfolios.

As noted above, Snowball responded to market conditions with cost containment measures. Costs inclusive of those associated with acquired businesses were up 2%, but excluding acquired businesses operating costs decreased by 6%.

Snowball's FUA has not suffered to the same extent as the fall in investment markets, due to the diversified nature of its recommended investment portfolios and the additional FUA which has been acquired. By way of illustration, at the end of June 2009 the All Ordinaries Index was 26% below its level at the end of the prior year, whereas Snowball's closing FUA at the end of the reporting period of $4.05 billion was in line with levels at the end of June 2008.

Dividends and Strategy

The Directors are pleased to announce that they have declared a final fully franked dividend of 2.0 cents per share to shareholders on the register on 30 September 2009, to be paid on 30 October 2009. Adding the interim dividend of 1.0 cent per share, the total fully franked dividend payable in respect of the financial year to 30 June 2009 is 3.0 cents, compared to 3.5 cents for the prior corresponding period.

Although the Group is in a financial position to maintain the quantum of its FY08 final dividend in respect of FY09, the Board considers it prudent to reduce the final dividend for FY09 in light of the uncertainties in the current economic environment. The funds withheld from the final dividend payment will be re-invested in the business in accordance with Snowball's strategy, detail of which will be provided in the Group's FY10 Investor Presentation and FY09 Annual Report to be lodged with the ASX in September.

For further information:

Tony McDonald
Managing Director
Snowball Group
(02) 9250 1515
0416 117 031

Carl Scarcella
Chief Operating Officer
Snowball Group
(02) 9250 1502
0438 020 038