

**CHAIRMAN'S ADDRESS**  
**12<sup>TH</sup> Annual General Meeting of Fiducian Portfolio Services Limited**  
**29<sup>th</sup> October, 2008**

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The progressive development of Fiducian since inception can be summed up by saying that the management team, staff, advisers, fund managers and others, which make up the Fiducian family, have done a lot of things right.

Fiducian started with multiple components to provide the manage-the-manager system and broad based options for advisers to develop thoughtful and robust financial plans for their clients. Today Fiducian has sophisticated systems, well researched processes for fund selection and procedures in place to limit risk and maintain quality.

In our world today, the current order is changing dramatically with nations like China and India on the ascendency, whilst other top order nations like America, European heavy weights and Japan are suffering disruption. The world financial markets are experiencing turmoil, largely related to the sub-prime debt market, which is linked to the overbuilding and selling of the residential market in the USA. Major government support has been required to develop cohesive solutions to prevent the collapse of any systemically important bank. The financial markets wait to see if such support will be sufficient to calm the pessimism.

Obviously, Fiducian is not immune to the massive downturn in the markets, which will affect the earnings of the current year, as indicated in the management reports for the first quarter of this year. The extent of this cannot be accurately determined until the timing of a return to more normal market conditions is known. However, our dedicated team of advisers continue to implement investment plans for the long-term benefit of their clients, albeit at a lower rate than last year and as well, to review, mentor and guide their clients through the current turbulent financial markets. As a consequence of this continuous monitoring and contact with clients, Fiducian believes it is well placed to benefit when the financial markets stabilize and recover.

We at Fiducian will stay constant in our purpose of conducting all our business with integrity in exercising our knowledge and expertise to carry out our various roles, so that we command the trust and respect of all who deal with us.

**WE ARE STILL FOCUSED ON GROWTH.**

Growth still remains the central focus for Fiducian, subject to any further major disruption to the financial markets. The areas of focus for growth include:

- Continued and growing net inflows from advisers;
- An expansion of the adviser team;
- Funds under Administration being retained and efficiently administered, with some growth being added through badging arrangements
- Strategic acquisitions and joint ventures being pursued in Australia and overseas in a controlled manner;
- Operating expenses remaining tightly controlled; and
- Cash, not required for expansion, being used to buy back shares from the market.

All at Fiducian have worked hard to cope with the changing environment and adapt to change and my thanks go to each member of the team. Our steady and focused plans should continue to reward shareholders for their confidence and continued support.

Robert Bucknell, Chairman.  
Fiducian Portfolio Services Limited