

CHAIRMAN'S ADDRESS
13TH Annual General Meeting of Fiducian Portfolio Services Limited
28th October, 2009

Dear Shareholder,

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. It has not had on its approved product list any of the failed investment options highlighted in Australian media and in which many investors suffered. This cautious approach, coupled with our expertise to research and avoid such flavour of the month, risky, engineered products has a simple message. It is that, Fiducian puts its clients best interest at the forefront in all its activities, even if decisions do not follow the popular mood of the moment.

The current financial order is changing dramatically with nations like China and India on the ascendancy, whilst other top order nations like America, European heavyweights and Japan are still suffering economic weakness. Obviously, in common with most financial services companies, Fiducian did not escape the impact of the Global Financial Crisis. Our revenues were affected when the investments we manage fell in value until March, 2009. Since then, revenue has been steadily rising as a consequence of stronger financial markets. Fiducian believes it is well placed to benefit as markets stabilize and recover further, as already indicated in the September quarterly results, which are ahead of expectations.

Financial investment and planning in Australia is currently under review, with possible changes to remuneration structures and regulatory requirements being mooted, but until final outcomes are made known in several months time, the consequences cannot be determined. However, Fiducian has always operated in a transparent and ethical manner and should be able to adapt quickly to any changes to remuneration policy that might be imposed by the Regulator, without financial damage to Fiducian. It has procedures in place to limit risk and maintain quality, sophisticated management systems, state-of-the-art planning software (designed in house), well researched processes for fund manager selection and a long term record of successful management, supported by a majority of independent persons on the Board, the Investment Committee, Compliance and Risk Committee and Audit Committee.

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 and expansion of the adviser network;
- Funds under Administration growing and being efficiently administered,
- Strategic acquisitions and joint ventures being pursued 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