Half Year Results
26 February 2015

Barry Lambert - Chairman
Phil Aris - Managing Director & CEO

countplus

Half Year Results Highlights

Financials

Net Profit before Tax: $8.73 million (⬇ 9.1%)

Consolidated Net Profit after Tax: **$6.08 million (⬇10.3%)**

Excluding CBA loyalty payments from prior period:
Net Profit before Tax ⬆ 20.4%, net profit after tax ⬆ 18.5%

CUP Dividends

3rd Interim Dividend of **2 cents** per share fully franked declared on 24/02/2015
(Payment date 15/05/2015; Ex-date 27/04/2015)

Dividends and Earnings Guidance

- Good performance expected to be maintained through full year;
- Accounting business traditionally inconsistent in second half;
- 2 cent quarterly dividend expected to be maintained.

Result Overview

- Continued challenging conditions for accounting division;
- Financial planning improving across group;
- Property broking business, Pacific East Coast was one of group’s best performers;
- Largest associate business, Hood Sweeney growing strongly following successful merger.

Group Performance

	Dec '14 $ '000	% Change (Dec'13)	% Normalised Change*
Total Net Revenue	46,867	-10.3%	4.6%
Expenses:			
Salaries and Employment	(28,162)	(8.2%)	5.1%
Premises	(2,470)	(19.3%)	(2.3%)
Depreciation	(563)	(1.4%)	14.9%
Other Expenses	(5,886)	(9.8%)	0.1%
Total Expenses	(37,164)	(9.4%)	3.5%
Share of Profit from Associates	490	152.6%	152.6%
Operating Profit (EBITA)	10,193	(9.3%)	12.0%

*The normalised change has been calculated to reflect the operating performance of the group. It is calculated after adjusting the prior year numbers to exclude the contribution from the subsidiary sold and non-recurring financial planning loyalty payments.

Normalised accounting revenue up 0.9%
Normalised financial planning revenue up 8.0% (21% of net revenue)
Property related revenue growing but only 6.4% of net revenue

Expense growth assisted by lease renegotiations and relocations and movements in debtor provisioning

Main associate contributor is Hood Sweeney (SA) 26% interest but also includes new financial planning associates.

countplus

Group Performance

	Dec '14 $ '000	% Change (Dec'13)	% Normalised Change*
Non-Operating Income	**222**	**82.0%**	**88.1%**
Share Based Payments	**(99)**	**106.3%**	**106.3%**
Interest Expense **(net)**	**(564)**	**(10.0%)**	**(6.2%)**
Amortisation Expense	**(1,361)**	**(15.9%)**	**(12.2%)**
Non-cash Fair Value Adjustments	**343**		
Net Profit before Tax	**8,734**	**(9.1%)**	**24.4%**
Tax	**(2,653)**	**(6.2%)**	
Consolidated Net Profit after Tax	**6,081**	**(10.3%)**	**23.8%**

Largest component of non-cash amortisation expense relates to acquired client relationships arising on acquisitions. Reducing over time.

Non-cash fair value adjustment includes CRH share investment subsequently realised in Jan 15

*The normalised change has been calculated to reflect the operating performance of the group. It is calculated after adjusting the prior year numbers to exclude the contribution from the subsidiary sold and non-recurring financial planning loyalty payments.

countplus

Balance Sheet

	Dec'14 $ '000	% Change (Jun'14)
Current Assets	32,186	(6.3%)
Current Liabilities	41,751	98.7%*
Current Ratio	0.77*	
Non-Current Assets	71,133	8.7%
Non-Current Liabilities	7,857	(71.5%)*
Net Assets	53,711	5.0%
Loans and Borrowings		
Net Debt	16,682	

*The current liability includes the group's loan facility with the Commonwealth Bank of $24.3m which is a 3 year facility due to expire in October 2015. As required under Australian Accounting Standards, this has been reclassified from a non-current to current liability, however the Directors are confident of having an extended facility well in advance of expiry.

Debt facility to be extended before the end of the year.

Net debt has increased due to new investments and deferred payments.

countplus

Dividends

Dividends 2014/15	Cents Per Share	Paid / Declared
1st Interim Dividend	2 cents	17/11/2014 (paid)
2nd Interim Dividend	2 cents	16/02/2015 (paid)
3rd Interim Dividend	2 cents	15/05/2015 (declared)

Recent Acquisitions/Investments

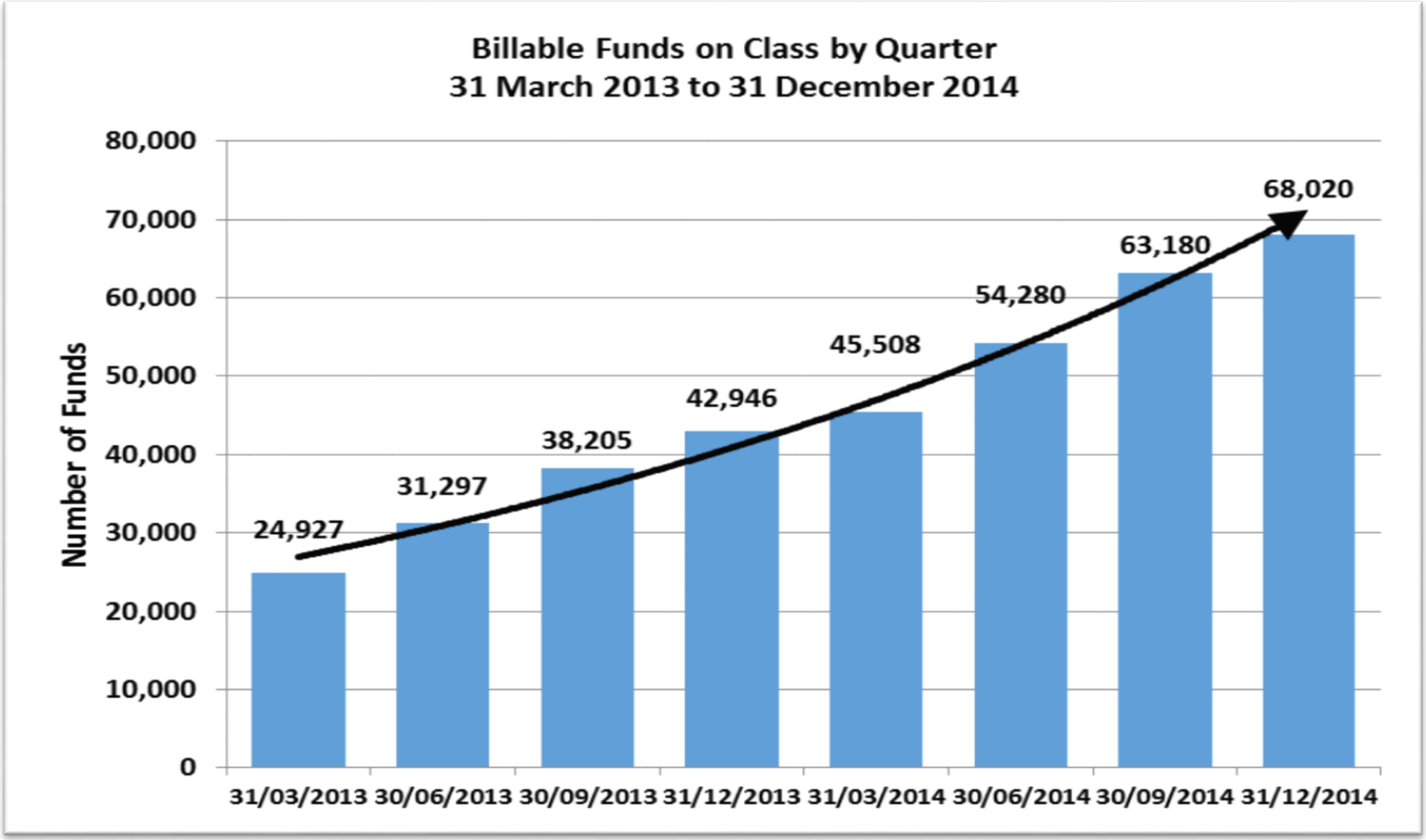
Date	Business	Activity
July 2014	Financial Momentum	Financial planning firm in regional Victoria. 40% interest acquired by Total Financial Solutions.
Sep 2014	JDAA Accounting	Accounting firm based in Canberra, merged with Member Firm, Beames and Associates.
Oct 2014	McQueen Financial Group	Financial planning firm in Melbourne CBD. 49% interest acquired by Total Financial Solutions.
Sep 2014	Shares in Crowe Horwath	Investment of $1.14 million shares in Crowe Horwath acquired on market at an average price of 38 cents per share (sold in January 2015).
Jan 2015	Hood Sweeney	Increased interest in largest associate firm, Hood Sweeney to 26%.

Recent Acquisitions/Investments

Date	Business	Activity
Jan 2015	Harmon Partners	Accounting/Business Services and audit firm in East Melbourne merged with Member Firm, Kidmans Partners.
Feb 2015	Super-IP (Class Super)	Acquiring a further 1% interest which will make CUP the largest institutional shareholder(4.84%).

countplus

Class Super



countplus

Direct Equity Plan

- Direct equity plan previously announced to principals and employees;
- Opportunity to acquire equity directly in business;
- Countplus to retain controlling share;
- Designed to
  - Promote retention of key employees
  - Facilitate succession for Principals
  - Provide direct performance alignment.

First transactions expected towards end of financial year.

countplus

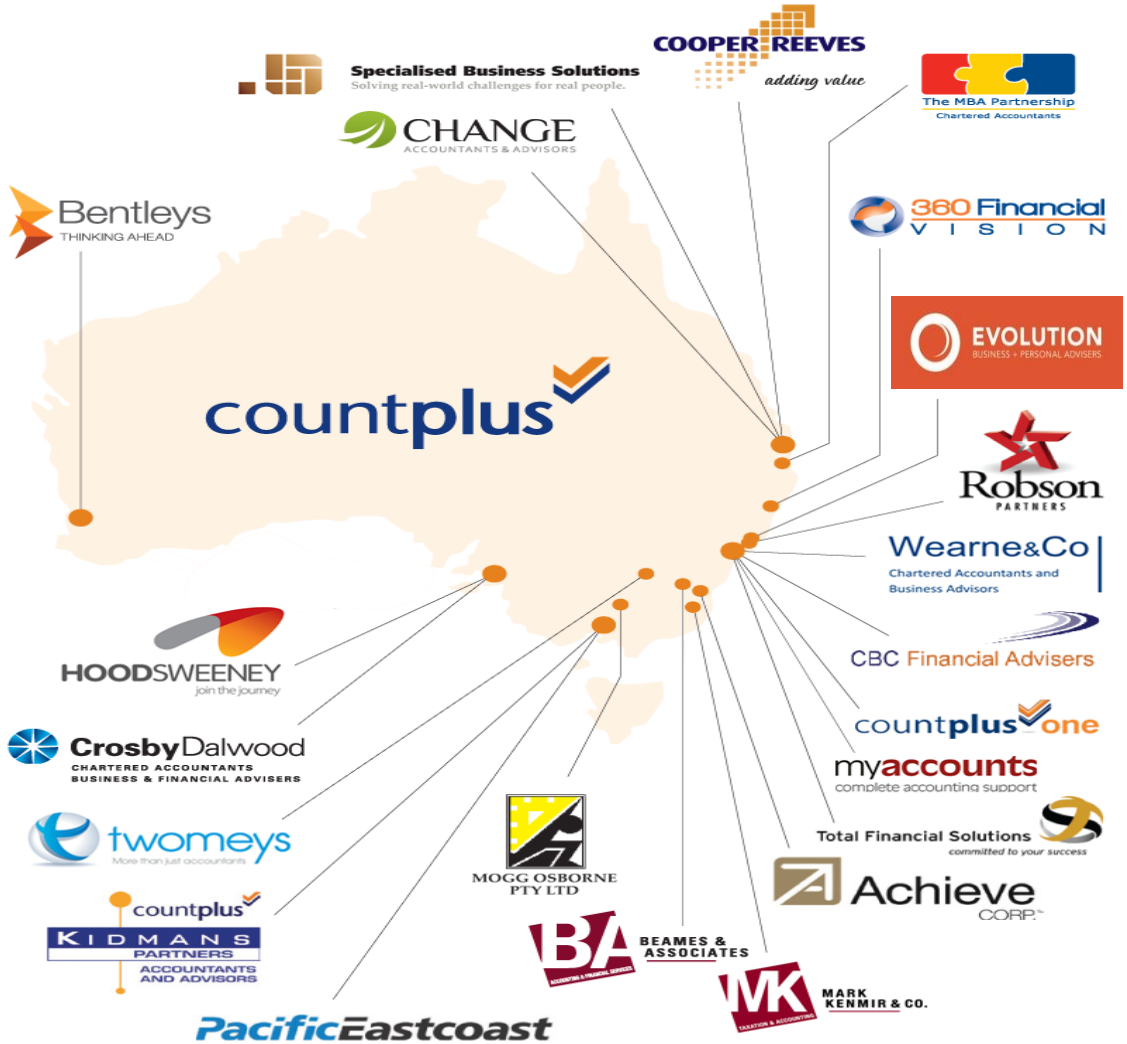
Major New Initiative Underway - BLUE789

- The new business that focuses on a shared equity ownership approach.
- Building a network of successful accounting firms who strive to continue to grow and continually evolve their client services and business operations – with a common supportive shareholder.
- Targeting firms with a NPBT of around $2m or can grow to this level in 3-5 years.
- Initial minority interest (target 30%) provides funds to facilitate succession and / or growth initiatives.
- Principals maintaining ownership and management control, encourages continued entrepreneurial spirit and commitment to the firm and people.

BLUE789™
BUSINESS & WEALTH ACCOUNTANTS

countplus

The Countplus Network



Half Year Results
26 February 2015

Barry Lambert - Chairman
Phil Aris- Managing Director & CEO

countplus