

VIA ELECTRONIC LODGEMENT

24 February 2009

Australian Stock Exchange
Company Announcements Platform

Market Update

Preamble

Over Fifty Group Limited (OFG) chief executive John McBain said “the December 2008 half-year financial results are heavily affected by non-realised, non-cash impairments arising from adjustments to carrying values of property investments and commercial mortgages yet to reach full term.”

“We are required to post these non-cash fluctuations in asset valuations against profit as asset valuations decrease in the same way that we will be required to recognise increased valuations towards profit.”

“The continued focus of the group will be in its cash-generating major business units being friendly society management and property funds management.”

Statutory results for six months to 31 December 2008

OFG is currently finalising its half-year financial results and will be providing its final results for the six month period to 31 December 2008 on 26 February 2009. Current accounting standards require OFG to bring to account non-cash impairment provisions and fair value adjustments for company assets and investments.

As a result of these non-cash accounting adjustments and in line with its continuous disclosure requirements, OFG expects the Net Profit generated by OFG corporate (excluding friendly society benefit funds) to be approximately as follows:

	Half Year 2009	Half Year 2008
	\$M	\$M
Normalised After Tax Profit	2.544	5.284
Non Cash Adjustments		
Impairment of property trust investment	(4.881)	-
Impairment in respect to guarantee	(6.877)	-
Loss on property revaluations	(1.756)	-
Mark to market of financial instruments	(0.251)	(0.915)
Provision for doubtful debt – mortgages	(1.061)	(1.381)
Profit from discontinued operations	0.155	-
One off corporate expenses	-	(1.162)
Tax effect on non cash and specific items	3.467	1.043
Net Profit/Loss After Tax	(8.660)	2.869

Corporate Debt Facility

OFG is pleased to announce that its lender has agreed to renew its \$24.5M corporate debt facility for a further 12 months on commercial terms. This will represent an extension of an existing 12 month facility to the same lender.

For further information contact:

Investors

John McBain (02) 8923 8923

Media

Tim Allerton (02) 9267 4511

Yours faithfully

Terry Reid
Company Secretary

