ClearView Wealth Limited

Half Year 2014 – Results Presentation

Simon Swanson – Managing Director

Athol Chiert – Chief Financial Officer

26 February 2014

Disclaimer

IMPORTANT NOTICE AND DISCLAIMER

This investor presentation (Presentation) has been prepared by ClearView Wealth Limited (ACN 106 248 248) (ClearView) in relation to a potential placement and entitlement offer (Offer) of new ordinary shares in ClearView (New Shares) under sections 708AA and 708 of the Corporations Act 2001 as nationally modified by ASIC class order 08/35.

Summary information

This Presentation contains summary information about ClearView and its activities as at the date of this Presentation. The information in this presentation is of general nature and does not purport to be complete nor does it contain all the information that a prospective investor may require in evaluating a possible investment in ClearView nor does it contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act 2001.

Not an offer

This Presentation is not a prospectus, disclosure document or offering document under Australian law (and will not be lodged with ASIC) or any other law. It is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction. This presentation and the information contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This presentation may not be distributed or released in the United States. The entitlements and the new shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the Securities Act) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States absent registration or in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws. The release, publication or distribution of this presentation in jurisdictions outside Australia may be restricted by law. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This presentation may not be copied by you, or distributed to any other person.

Future performance

This presentation contains certain forward looking statements. Forward looking statements should or can generally be identified by the use of forward looking words such as “anticipate”, “believe”, “expect”, “forecast”, “estimate”, “will”, “could”, “may”, “target”, “plan” and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include earnings guidance and statements of intention about future matters and the outcome and effects of the equity raising. Indications of, and guidance or outlook on, future earnings, distributions or financial position or performance are also forward looking statements. The forward looking statements contained in this presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of ClearView, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Except as required by law, ClearView assumes no obligation to update or revise such information to reflect any change in expectations, beliefs, hopes, intentions or strategies. No representations, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward looking statements in this presentation will actually occur. See the “Key risks” section of this presentation for a discussion of certain risks that may impact the outcome of matters discussed in forward looking statements. There can be no assurance that actual outcomes will not differ materially from these forward looking statements.

Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon and is not an indication of future performance.

Disclaimer (Continued)

Not investment advice

The information contained in this Presentation is not investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used as the basis for making an investment decision. In this regard, this presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any person. Investors should obtain their own professional, legal, tax, business and/or financial advice before making any investment decision.

Investment risk

An investment in ClearView shares is subject to known and unknown risks, some of which are beyond the control of ClearView. ClearView does not guarantee any particular rate of return or the performance of ClearView. Investors should have regard to the risk factors outlined in this Presentation when making their investment decisions

Financial data

The pro-forma financial information and past financial information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of ClearView's view on its future financial condition or performance.

Disclaimer

To the maximum extent permitted by law, ClearView, the underwriter and their receptive affiliates, related bodies corporate, officers, employees and representatives (including agents and advisors), make no representation or warranty, express or implied, as to the currency, accuracy, completeness or reliability of the information contained in this presentation. To the maximum extent permitted by law, no person, including ClearView, the underwriter and their respective affiliates, related bodies corporate, officers, employees and representatives (including agents and advisors), accepts any liability or responsibility for any expenses, losses, damages or costs incurred by an investor as a result of their participation in the Offer and the information in this presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise.
None of the underwriter nor any of its or ClearView's advisors or any of their respective affiliates, related bodies corporate, officers, employees or agents have authorised or caused the issue, lodgement, submission, dispatch or provision of this presentation and none of them make or purport to make any statement in this presentation and there is no statement in this presentation which is based on any statement by them. None of the underwriter nor any of its or ClearView's advisors or any of their respective affiliates, related bodies corporate, officers, employees or agents take any responsibility for any information in this presentation or any action taken by investors on the basis of such information. To the maximum extent permitted by law, the underwriter and any of its affiliates, related bodies corporate, officers, employees and representatives (including agents) do not accept any liability or responsibility for any expenses, losses, damages or costs incurred by an investor as a result of their participation in the Offer and the information in this presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise, make no representation or warranty, express or implied, as to the currency, accuracy, completeness, reliability, fairness or correctness of the information contained in this presentation and take no responsibility for any part of this presentation. None of the underwriter nor any of its or ClearView's advisors or any of their respective affiliates, related bodies corporate, officers, employees or agents make any recommendations as to whether investors or their related parties should participate in the Offer nor do they make any representations or warranties to investors concerning this Offer, or any such information and investors represent, warrant and agree that they have not relied on any statements made by any of the underwriter, any of its or ClearView's advisors or any of their respective affiliates, related bodies corporate, officers, employees or agents in relation to the issue of new shares or the Offer generally.

Statements in this Presentation are made only as of the date of this Presentation, the information in this presentation remains subject to change without notice. ClearView reserves the right to withdraw or vary the timetable for the proposed Offer without notice.

Agenda

ClearView

A	**Background and Overview**
B	1H FY14 Results
C	Strategy and Priorities
D	Investment Opportunity

The ClearView Story: Highlights

1 Growing Market +

- Life: $12b market has been growing at 12.6% p.a.
- Wealth: Growth supported by increase in Superannuation Guarantee levy
- Consolidated market – opportunity for a challenger brand
- Strong regulators – limits irrational competition and restricts irrational new competitors
- Potentially increased pricing

2 Focused business +

- Profitable base business (from MBF Life) with limited legacy issues
- Not “all things to all people”:
  - No Group Life
  - Almost no pre-GFC Income Protection
- Life Advice: Management focus is on quality over quantity
- Direct Life: Leveraging strategic partner relationships
- Wealth: Building out a competitive offering

3 Experienced team (with real ownership)

- Management team that have “done it before”. Successful startup and big company experience
- Board with experience in guiding life insurance, wealth management and financial services businesses
- Invested and aligned with shareholders
  - Management and advisers >9% ownership[1]
  - Board > 65% ownership

- ClearView is starting to generate momentum:
  - In CY2010, ClearView sold $2.0m of new Life premium and had $135m of net <u>out</u>flows in Wealth FUM[2]
  - In CY2013, ClearView sold $21.9m of new Life premium and had $22.3m of net <u>in</u>flows in Wealth FUM[2]
- Long-term objective is to capture 3-5% of the life insurance profit pool and build a material wealth management business

Note 1: Includes ClearView management and aligned advisers under ESP.
Note 2: FUM net flows is defined as inflows into FUM (net of internal transfers), less redemptions from FUM (net of internal transfers). Excludes management fees outflow.

Key Performance Metrics

Business Line	Metric	FY13		1H14	% Change[5]	Comments
		1H	2H			
Life Insurance	In-force Premium ($m)	54	62	74	38%	• LifeSolutions launched Dec 2011 • Now 44% of in-force (c.18 months)
	New Business ($m)	9.9	9.5	12.4	25%	• Growth reflects successful launch of LifeSolutions (FY12) and restructure of Direct in FY14
Wealth Management	Closing FUM ($b)	1.43	1.53	1.63	14%	• WealthSolutions launched Dec 2011 (c.$0.33b as at 31 Dec 2013) • Positive impact from investment markets
	FUM Net Flows ($m)	(33)	17	5	Large	• Net outflows reduced following launch of WealthSolutions (FY12) • Now positive (CY13)
Planning	Number of Advisers	94	102	109	16%	• Recruitment of quality advisers continues
	FUA ($b)[1]	1.9	2.1	2.2	17%	• FUA growth reflects recruitment of new advisers
	Premium Advised ($m)	57	73	79	38%	• Premium Advised growth reflects recruitment of new advisers
ClearView	Embedded Value ($m) ex Franking Credits	n/a	291[2]	306[4]	5%[3]	• DRP implemented in 1H FY14
	Value of New Business ($m)	1.9	4.2	5.8	Large	• Now positive and growing; suppressed by acquisition cost overruns until they are eliminated
	Reported NPAT ($m)	(0.6)	2.5	3.6	NM	• Impacted by takeover bid related costs in FY13; Volatile MTM[6] and timing effects
	Underlying NPAT($m)	8.5	7.5	9.1	7%	• Cost overruns should be eliminated over time as scale is achieved and profit margins on in-force improve
	Net Assets ($m)	247	251	255	3%	• Net assets exclude ESP loans

Note 1: Funds Under Administration in non-ClearView product. Note 2: As at 30 June 2013 at 4% discount rate margin; excludes a value for future franking credits and ESP loans. Note 3: Movement from 30 June 2013 to 31 December 2013. Note 4: As at 31 Dec 2013 at 4% discount rate margin; excludes a value for future franking credits and ESP loans. Note 5: YoY % move, December 2013 to December 2012 unless otherwise stated. Note 6: MTM – Mark-to-market affects include policy liabilities varying with discount rates required under AIFRS.

ClearView has avoided most current industry issues

Industry Issue	ClearView Exposure	ClearView Opportunity
Group Life Losses • Industry super funds increased default cover while pricing reflected economic boom times, a level of historical member apathy and ready reinsurer support • Rising claims costs now reflect influences such as economic cycle, lawyer activism, community trends (e.g. mental illnesses), reinsurer withdrawal	**No exposure.**	Opportunity to enter market if/when rational and sustainable prices return. No current intention exists
Income Protection Losses (a similar story to Group Life) • Economic boom time pricing and policy terms with ready reinsurer support • Rising claims from economic cycle, job losses amongst professionals • Policy wordings too generous for certain conditions (e.g. mental illnesses) • Reinsurers now restricting support levels for these policies	**Limited exposure.** Industry issues mainly older policies. ClearView has almost no pre 2010 exposure	As industry raises prices and modifies terms, ClearView may benefit
Lapse Losses • Cost conscious consumers are reconsidering cover • Price increases on legacy IP policies are encouraging consumers to switch out of these policies and into lower priced new policies	**Limited exposure.** ClearView has lower lapse rates than peers	New business is being written to ClearView. That said, issue needs to be monitored carefully
Regulation Change • Many recent changes: FOFA, Stronger Super, SuperStream, LAGIC, etc. • Continually increasing regulatory requirements increases compliance costs	**Less than peers.** ClearView implemented change at low cost given limited legacy business	Industry costs will drive price increases
Wealth Margin Squeeze • Price competition has been lowering margins in wealth management across the value chain, while some costs (e.g. regulation) have been rising	**Material exposure.** Less legacy improves manageability	Limited opportunity. Limited legacy means well placed to respond

ClearView has avoided most current industry issues, in particular mispricing of Group Life and Income Protection and ownership of legacy portfolios. ClearView stands to benefit from any future life insurance repricing

Agenda

A Background and Overview

B 1H FY14 Results

C Strategy and Priorities

D Investment Opportunity

Summary Financials: 1H FY14 results

ClearView

Underlying Profit	Embedded Value	Value of New Business	Life Growth – In-force	Wealth Growth – FUM
$9.1m (1H FY13: $8.5m)	$306m[3] (FY13: $291m)[2]	$5.8m[3] (1H FY13: $1.9m)[2]	$74m (1H FY13: $54m)	$1.63b (1H FY13: $1.43b)
7% ↑	5% ↑	Large% ↑	38% ↑	14% ↑
Favourable claims experience of $0.7m (1H FY13: Loss of $1.1m)[1] against planned margins	Benefited from: In-force life premium growth and positive FUM increase driven by investment markets	Represents the underlying net value added to the EV by new business written over the 6 month period	Growth driven by launch of LifeSolutions and related execution of distribution strategy	Improvement in net flows related to the launch of WealthSolutions
Lapse experience – broadly in line with expected; experience loss of $0.1m against planned margins	EV reflects negative experience from the maintenance cost overruns until they are eliminated	Value of new business is suppressed by the startup and growth costs incurred until the expense overruns are eliminated	New business premium of $12.4m; LifeSolutions $11m and Non-Advice $1.4m	Net flow positive in 1H FY14 of $5.2m Positive impacts of investment markets
Loss of investment earnings from payment of dividends, takeover bid related cash costs and lower cash earning rate ($0.8m)	Excludes the potential value of future growth; and potential value of imputation credits of $49m	Negative at the time of the acquisition; now positive and growing	Stepped change in distribution and growth profile; Initial phases of the restructure of the Direct business in FY14	WealthSolutions FUM of $327m Focus on broadening wealth distribution
Business is investing ahead of earnings which has been depressing short term profits Cost overruns should decrease as the business grows, providing it with material operating leverage	Discount rate disclosures reflected at a range of discount rate margins above the risk free rate of 4%	Value of new business in 2H FY13 of $4.2m[2]	Increasing investment in infrastructure and growth. Life insurance profits follow (after) sales	Majority of sector funds continue to outperform their benchmarks

Note 1: Given the current size of the life insurance portfolio and reinsurance arrangements in place (arrangements vary by product where the maximum net exposure exceeds $300k per life insured) some statistical claims volatility can be expected on the pre June 2011 direct term life book from period to period; Claims experience is anticipated to average out over time at the actuarial best estimate assumptions.

Note 2: EV as at 30 June 2013 at a discount rate risk margin of 4% (excluding a value for future franking credits of $47m and ESP Loans of $25m). VNB for 6 months to 31 December 2012 and 30 June 2013 estimated at a discount rate risk margin of 4%.

Note 3: EV at 31 December 2013 at a discount rate risk margin of 4% (excluding a value for future franking credits of $49m and ESP Loans of $25m). VNB for 6 months to 31 December 2013 at a discount rate risk margin of 4%.

Summary Financials: 1H FY14 by Segment

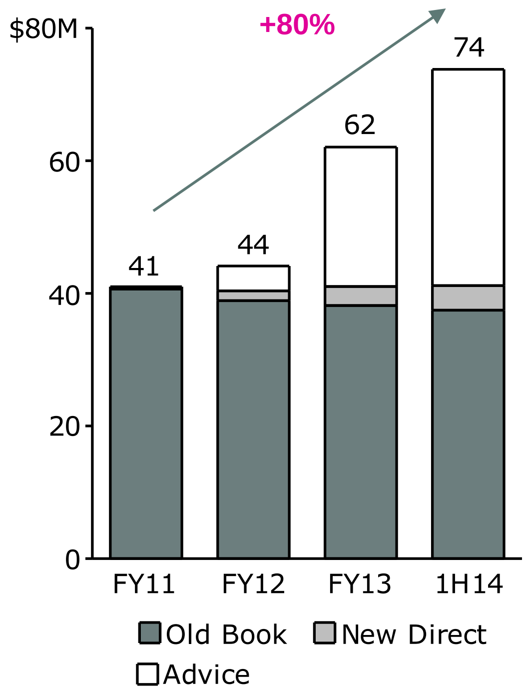
Half Year $m	FY13 1H	FY13 2H	1H FY14	% Change[1]	Comments
Life Insurance Profit	4.0	4.4	4.7	18%	• Positive claims experience in 1H FY14; negative claims experience in 1H FY13 • Increasing investment in infrastructure and growth, shared services allocation; Refer to slide 37 for impact of expense overruns on 1H FY14 result • Life profits follow (after) sales • Increased investment earnings as capital is absorbed
Wealth Management Profit	3.8	2.8	2.9	(21%)	• FUM increased by 14%; net flow positive and positive market movement • Run off of historical Master Trust business; margin compression • Increased cost base; investment in distribution and increased shared services allocation • Reduction of interest income given shift in capital to support growth of life insurance
Financial Advice Profit	0.4	0.4	1.8	309%	• Restructured service model • Reduction in cost base; rationalised branch network and reduced shared services allocation
Listed Entity and Other	0.3	(0.1)	(0.3)	(226%)	• Interest income on shareholder cash and reserves • Reducing interest rates through cycle • Cash absorbed by growth in life and takeover costs/ dividends in FY13
Underlying NPAT	**8.5**	**7.5**	**9.1**	**7%**	• Cost overruns are currently depressing profits. These are expected to be eliminated over time as scale is achieved and profit margins on in-force premiums improve
Amortisation	(3.8)	(3.8)	(3.8)	0%	• Non cash item relating to acquired intangibles (predominantly from acquisition of business from Bupa)
Other Adjustments	(5.3)	(1.3)	(1.7)	(67%)	• The result of the changes in long term discount rates used to determine the insurance policy liabilities • Costs incurred in the 2012 takeover bid, including adviser fees, legal fees, retention bonuses and ESP expenses in 1H FY13
Reported NPAT	**(0.6)**	**2.5**	**3.6**	**NM**	

Note 1: % change represents the movement from 1H FY13 to 1H FY14.

Key Performance Metrics: Highlights

Life Insurance

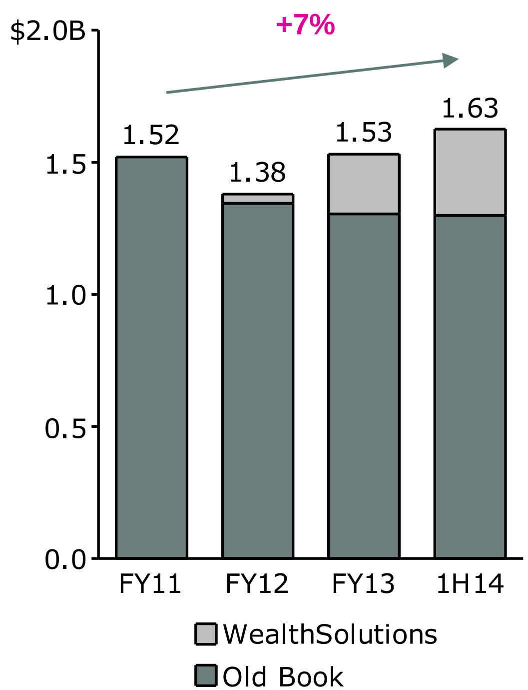
In-force Premium



- In-force premium growth in FY14 consistent with FY13 as systems catch up with distribution

Wealth Management

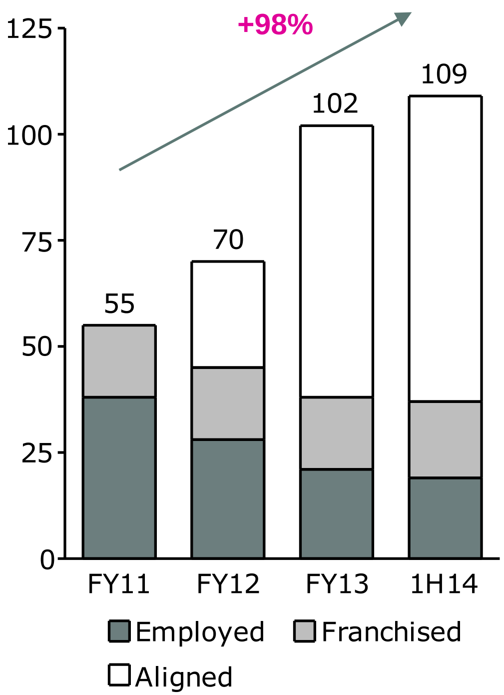
Funds Under Management



- ClearView working on new wealth mid-market super product
- Additional $2.2b in FUA[1]

Financial Advice

Financial Advisers

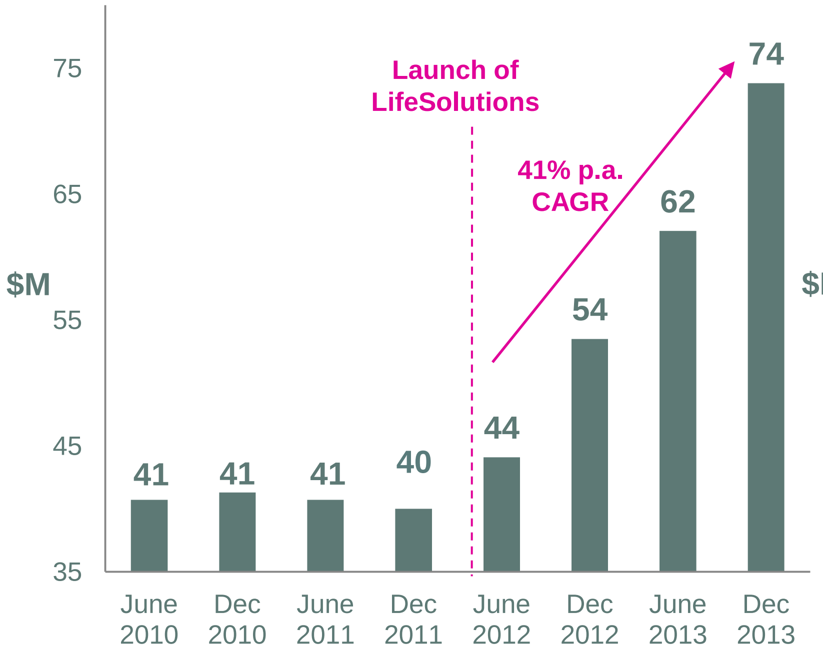


- Focus on further growth in advisers as systems catch up (post-June 2014)

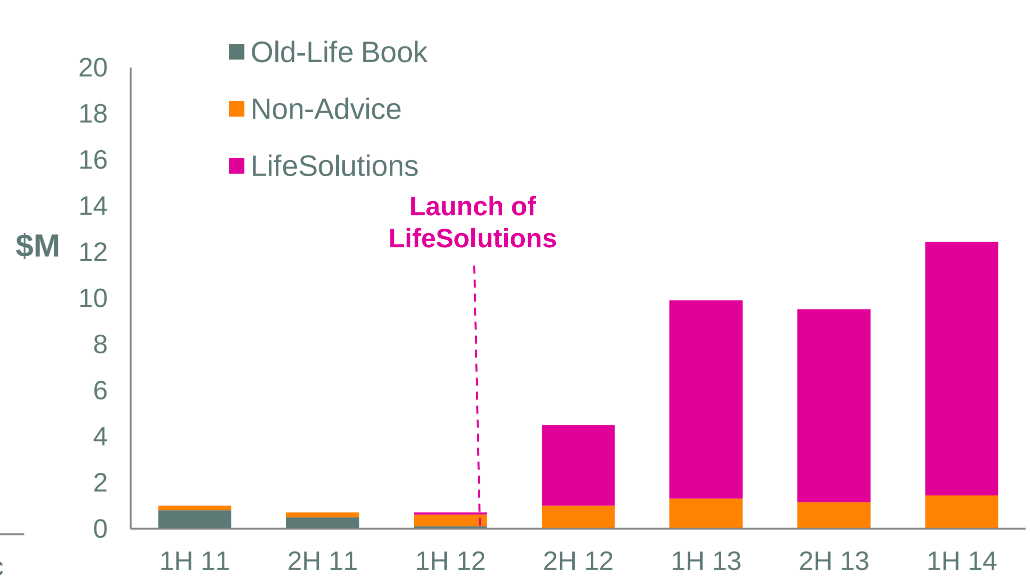
Note 1: Funds under administration in non-ClearView product.

Life Insurance: Significant Growth

IN-FORCE PREMIUM[1]



NEW BUSINESS[2]

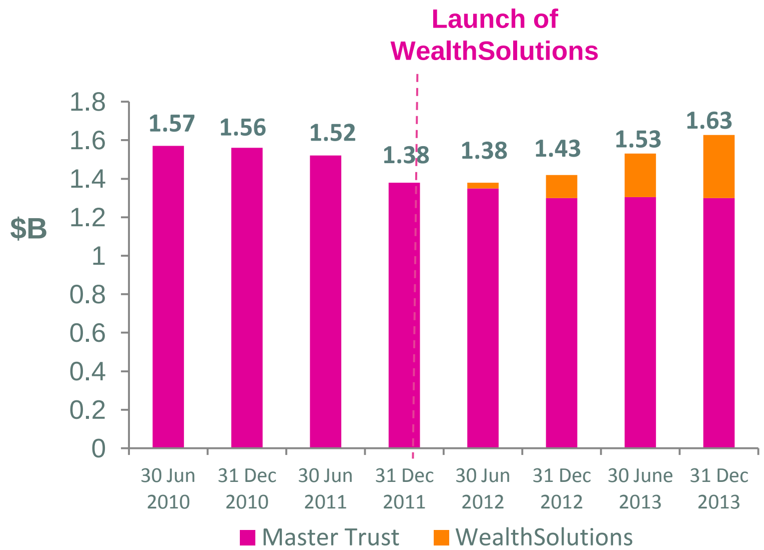


- In-force growth driven by launch of LifeSolutions suite of products in Dec 2011, which reflects the early success of our strategy in the retail life advice market
- New business of \$12.4m in the 6 months to 31 December 2013 compared to \$9.9m in the 6 months to 31 December 2012
- LifeSolutions accounts for \$32.6m or 44% of total in-force premium as at 31 December 2013

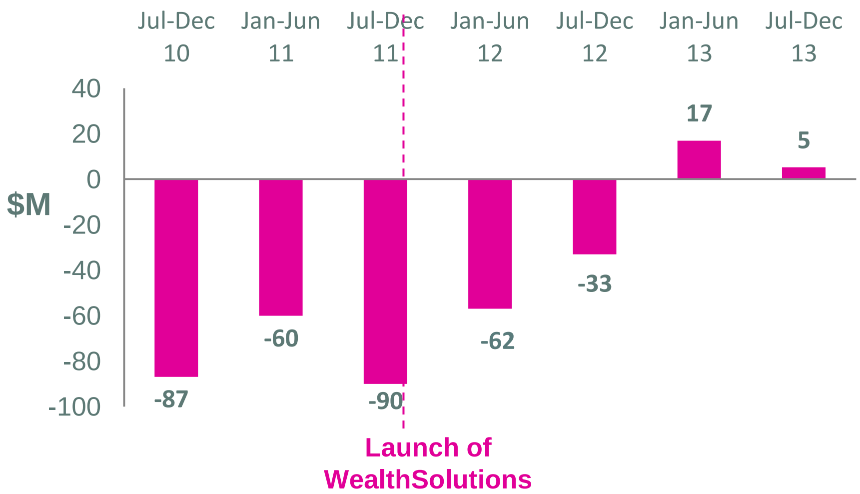
Note 1: In-force premium is defined as annualised premium in-force at the date based on policy risk commencement date.
Note 2: New business represents the amount of new annual written premium sold during the period.

Wealth: FUM Net Flow Positive1H FY14

CLOSING FUM[1]



FUM[1] NET FLOWS[2]



- FUM net flow positive (vs. outflow at time of acquisition)
- WealthSolutions as at 31 December 2013 accounted for $327m or 20% of total FUM (albeit at lower margin than Master Trust FUM)
- Master Trust FUM continues to be impacted by run-off of historic book (fully priced into the Embedded Value)
- Majority of sector funds continued to outperform their benchmarks

Note 1: FUM includes Funds Under Management (ClearView Master Trust and Managed Investment Schemes) and Funds Under Administration on WealthSolutions. It does not include funds under advice that are externally managed and administered.

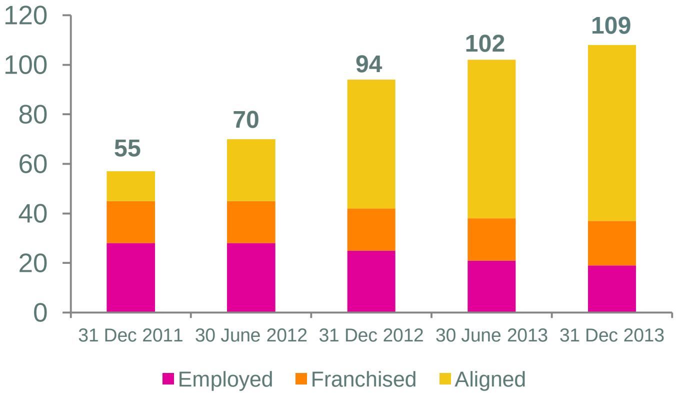
Note 2: FUM net flows is defined as inflows into FUM (net of internal transfers), less redemptions from FUM (net of internal transfers). Excludes management fees outflow.

Distribution: Expanding Across Segments

Financial Advice

Successfully growing our network of financial advisers by leveraging off non bank aligned model

ClearView Financial Advisers[1]

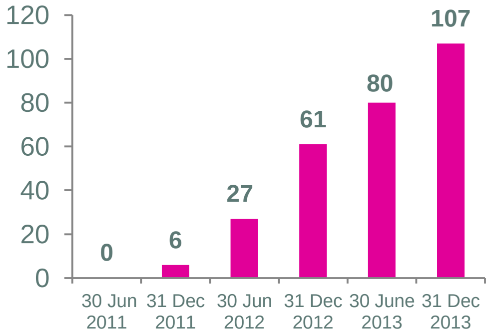


- Number of advisers has increased by 16% over the last 12 months
- Dealer group has \$2.2bn of external FUA and \$79m of in-force life premiums under advice
- Includes \$1.2bn FUA and \$67m of in-force life premiums from aligned advisers

3rd Party Dealer Groups

Entry into broader advice market through independent advisers – Approved Product Lists (APLs)

APLs with ClearView Product



- Number of Approved Product Lists (APLs) has grown off a zero base to 107 at 31 December 2013
- Focus on key advisers within Approved Product Lists (APLs); not be everything to everyone

Strategic Partners

Referrals from strategic partner relationships and access to client base for complimentary product offerings

- 12 strategic partners including exclusive distribution alliance with Bupa Australia
- Potential to distribute through multiple channels i.e. internet, member centres, call centre referrals and telemarketing

Note 1: Advisers includes all authorised representatives.

Statement of Financial Position: Shareholder[1]

$m	31/12/13	30/06/13	31/12/12
ASSETS			
Cash equivalents	111	112	112
Receivables	2	4	7
Deferred tax asset	3	4	4
PP&E	1	1	1
Goodwill	5	5	5
Intangibles	39	43	46
Total Assets	**161**	**169**	**175**
LIABILITIES			
Payables	15	11	13
Current tax	-	4	1
Provisions	4	3	3
Life Insurance[2]	(113)	(100)	(89)
Total Liabilities	**(94)**	**(82)**	**(72)**
Net Assets	**255**	**251**	**247**
Net Assets per share[3]	59.6 cents	60.5 cents	59.8 cents
Net Tangible Assets	**211**	**203**	**196**
NTA per share[3]	50.2 cents	50.1 cents	48.5 cents

- No debt
- Shareholder capital conservatively invested in cash and interest bearing securities
- $9.5m surplus capital above internal target benchmarks. Internal benchmarks include $29m working capital reserve to fund new business growth
- Life insurance policy liability increase reflective of growth in life insurance business (DAC) partially offset by run-off of the in-force DAC
- Intangible assets includes capitalisation of software ($5.3m carrying value) offset by amortisation of acquisition intangibles
- Payables increase predominantly relates to increase in reinsurance creditors and other payables associated with the increase in the scale of the business
- Net assets per share diluted by shares issued under DRP

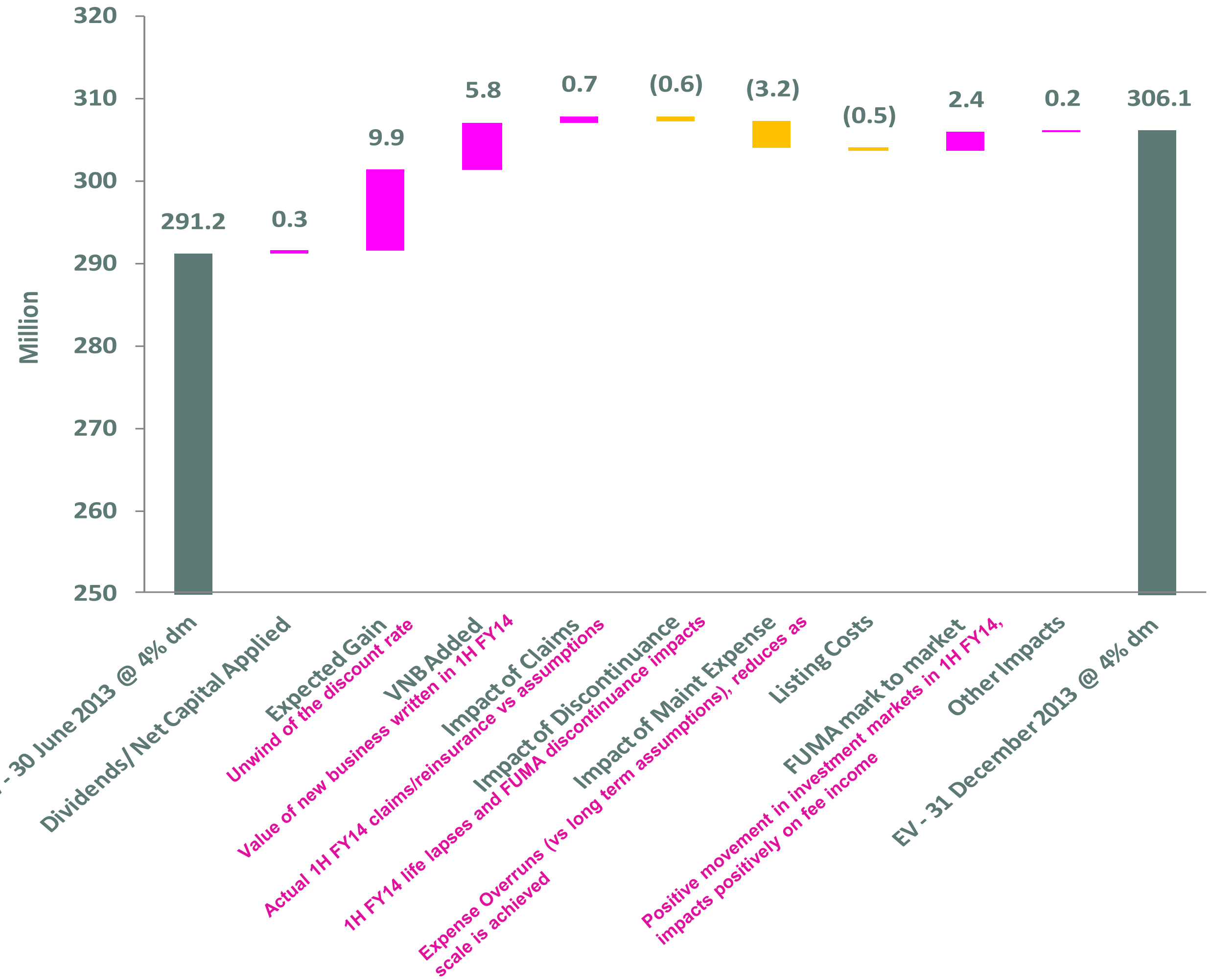
Note 1: Shareholder Statement of Financial Position excludes the life investments contracts (i.e. unit linked business) and deconsolidates retail unit trusts. Note 2: Life insurance asset reflects insurance liabilities net of the future recoverability of the deferred acquisition costs in accordance with the accounting standards. Note 3: Adjusted for Employee Share Plan (ESP) loans of $24.7m (1H FY13:$23.6m) and 44.1m (1H FY13: 41.9m) ESP shares.

Summary Financials: Embedded Value (EV) AT 31 DECEMBER 2013

RISK MARGIN OVER RISK FREE: $m (unless stated otherwise)	3% dm	4% dm	5% dm
Life insurance	190	179	168
Wealth management	43	41	40
Advice	23	22	21
Value of In Force (VIF)	**256**	**242**	**229**
Net worth	64	64	64
Total EV	**320**	**306**	**293**
ESP Loans	25	25	25
Total EV Including ESP Loans	**345**	**331**	**318**
Imputation Credits:			
Life	34	32	30
Wealth	11	10	10
Advice	7	7	6
Total EV incl Imputation Credits and ESP Loans	**396**	**380**	**364**
EV per share (cents)	73.4	70.5	67.7
EV per share incl Imputation Credits (cents)	84.3	81.0	77.5

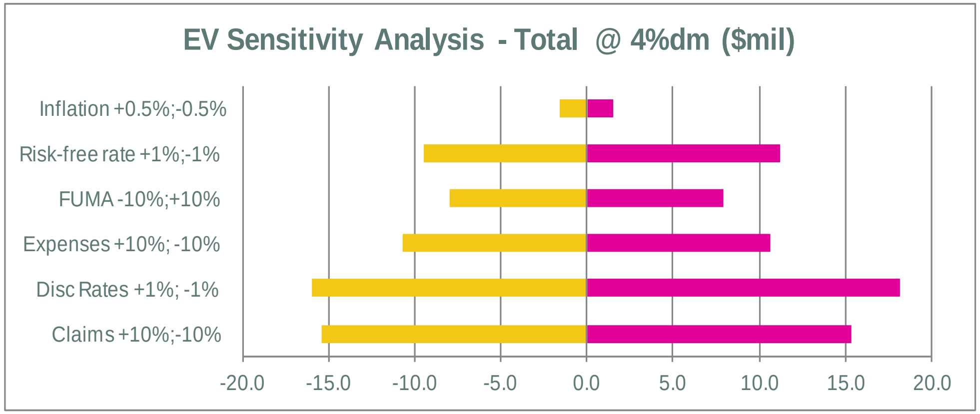
- The EV is made up of the value of the in-force (VIF) and the Net Worth
- The EV is the value of all business written to date determined by actuarial assumptions and modelling. Note that:
  - The EV excludes the value of any future growth potential. It is based only on the in-force portfolios as at 31 December 2013. The expenses rates are based on longer term unit costs, as opposed to current “expense overrun” levels;
  - The EV with the value of imputation credits at 70% of their present value is also shown; and
  - The EVs have been presented above at different “discount margin” rates over the assumed long term risk free rate reflected within the underlying cash flows valued.
- “dm” represents the discount rate risk margin, which refers to the margin above the 10 year bond yield. The 10 year bond yield adopted for the FY14 EV is 4% (FY13: 4%)

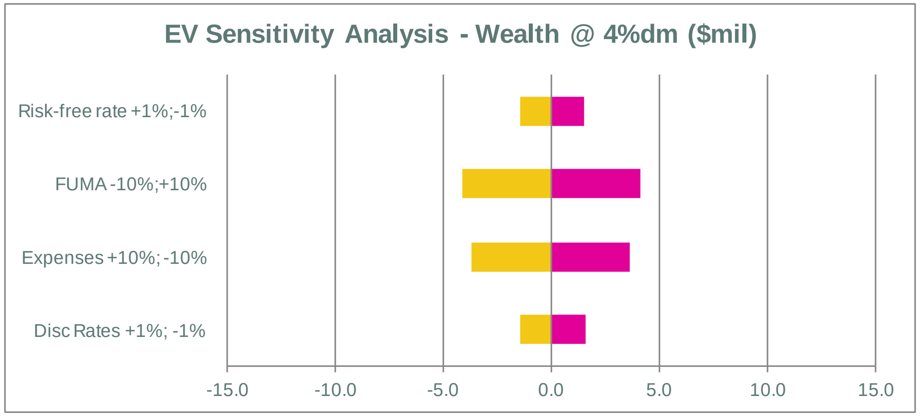
Embedded Value (EV) Movement Analysis @ 4% DM FOR 6 MONTHS ENDED 31 DECEMBER 2013

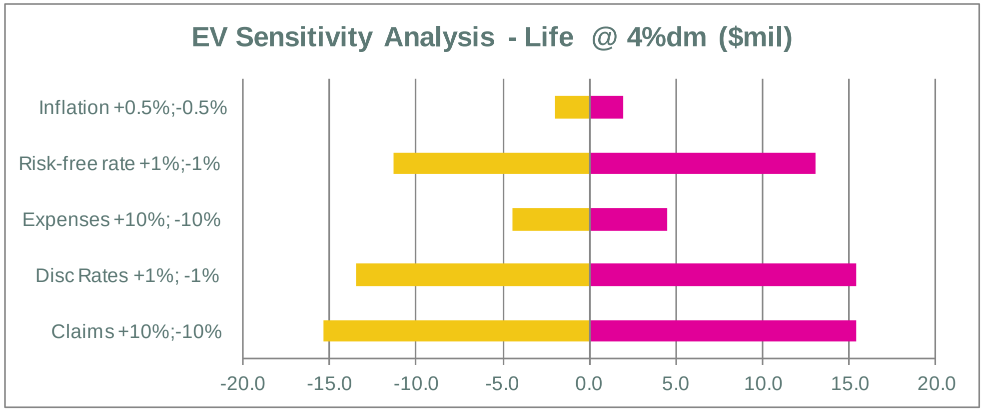


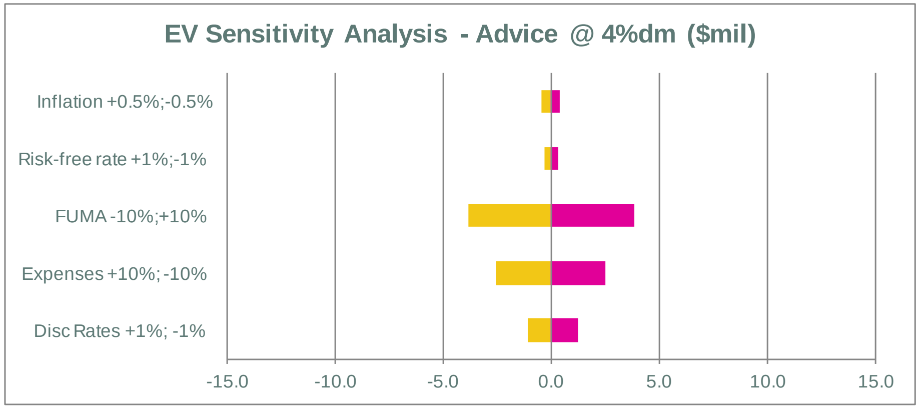
- Emerging life insurers invest and incur overhead costs ahead of “getting to scale”: The expenses rates assumed in the EV are based on longer term unit costs, as opposed to current “expense overrun” levels
- As business gets to scale, these costs are progressively supported by business volumes that creates operating leverage
- Expense overruns depress the growth in EV; these should eliminate as scale is achieved, thereby increasing underlying profit margins through the in-force portfolio and removing the drag on the EV

Embedded Value (EV) Sensitivity Analysis @ 4% DM









Agenda

A	Background and Overview
B	1H FY14 Results
C	**Strategy and Priorities**
D	Investment Opportunity

ClearView is a specialist life, wealth and financial advice business

ClearView

ClearView Wealth Limited (ASX Code: CVW)

APRA Regulated NOHC under the Life Insurance Act 1995

Life Insurance

Life Insurance Licence. APRA Regulated. AFSL Holder.

In-force premium: $74m (growth 38% yoy)

Life Advice

- Products: Comprehensive life advice product suite (LifeSolutions)
- Distribution: Financial advisers in the ClearView dealer group and third party dealer groups

Direct Life

- Products: Full suite of direct life products (Life, accidental death, injury cash, funeral and trauma)
- Distribution: Internet, telemarketing and Strategic Partners

Wealth Management

Responsible Entity Licence. (Life licence also). AFSL Holder.

FUM: $1.63b (growth 14% yoy)

Wealth Products

- WealthSolutions:
  - Superannuation wrap
  - IDPS (ordinary) wrap
  - 250 managed funds, ASX equities, term deposits, multiple model portfolios
- New mid-market super product (under development CY2014)
- Retail MIS (incl. on wrap)
- Life investment products

Wealth Distribution

- Predominantly ClearView financial advisers today

Financial Advice

Dealer Group
AFSL Holder

109 advisers (growth 16% yoy)
$2.2b FUA (growth 17% yoy)

ClearView Dealer Group

- 19 employed advisers (salaried employees)
- 18 franchised advisers (share of adviser fee)
- 72 aligned advisers (no share of adviser fee; cost recovery)
- Participation in Employee Share Plan (ESP)

Superannuation Trustee

APRA Regulated. Registrable Superannuation Entity Licence (RSE).

ClearView Facts

- Specialist in life insurance, funds management and financial advice
- Non-bank owned, Australian "independent"
- Formed (listed) in June 2010
  - Antecedents: NRMA Life back to 1976
- Key shareholders (59%): Crescent Capital Partners and Macquarie Private Equity
- 1H FY14 Underlying NPAT $9.1m
- Statutory reported NPAT $3.6m – amortisation, volatile MTM and timing effects
- Net tangible shareholder assets $211m plus $25m of ESP loans for a total of $236m
- Net shareholder cash $111m

Note: As 31 December 2013, percentage increase relative to 31 December 2012.

ClearView is starting to generate momentum

New investment support (Crescent)

ClearView is starting to generate momentum

	FY11	FY12-14	FY15+
	Acquisition	**Building for Growth**	**Expansion**
Activities	• Completed acquisition of MBF Life and ClearView on 9 June 2010 • Transformed into focused life and wealth company; renamed ClearView • Platform for growth	• Built out new management team • Development and launch of new suite of non-advice and advice products and services • Expanded distribution with recruitment of 72 aligned advisers,[1] listing on circa 107 APLs • Investment in systems and processes to improve efficiency and service delivery	• New innovative life and wealth product development • Continue to recruit advisers and provide a more refined service offering • Refine Direct sales offering and approach to market • Build scale to absorb expense overruns
Guiding Principles	• New non-bank owned life insurance and wealth management company that can bring innovation to the market and challenge the incumbents • No material legacy technology issues, enabling speed to market • No material exposure to Group Life, pre-GFC Income Protection or capital guaranteed products	• Focus on recruiting high quality advisers (quality over quantity) • Develop infrastructure for both Direct and Advice life channels to serve different market segments • Flexible life and wealth offering – to advisers and strategic partners – Aiming for award winning products, great service, great relationships	• Focus on profitable market segments. Not "all things to all people" • Retain independence and appeal to financial advisers with quality products and service offering • Focus on execution • Manage costs well

Note 1: Aligned advisers includes all authorised representatives. Numbers provided as at 31 December 2013.

ClearView has been investing for growth

Key activities achieved since the change in key shareholder (October 2012)	
IT	• IT strategy put in place with build out of the IT management capabilities • Completion of initial phase of life advice platform to support product growth • Plan for new mid-market wealth product. Planned implementation in FY15 • CWT planning software support embedded in the business
Adviser Network	• Practice management support upgraded • Practice Development Managers in place • Dealer group operating model enhancements implemented
Direct	• New Direct team recruited • Established new contact centre infrastructure in Parramatta
Management	• New management structure with clarity of roles and responsibilities clearly established • New Board members in place who have significant experience and skills
Underwriting	• New reinsurance arrangements in place • Quality of underwriting process supported through reinsurer review • Additional underwriters recruited • Automatic underwriting engine in place
Regulation	• FOFA reforms implemented across the dealer group – reflects lack of legacy issues and experienced management • Stronger Super, SuperStream implemented • LAGIC and other APRA related changes implemented

- Over the past 15 months, ClearView has made significant progress in building its platform for growth. The management team has broadened, a Direct platform has been established and the back office is improving
- In the near term, focus will continue on the back office to support growth and enhance our service and offering
- ClearView is investing in systems (capex) to build for long-term success

ClearView will continue to invest for growth

	Focus Areas	Keys to Execution
Life Advice	• Upgrades to existing LifeSolutions products and services • Upgrade supporting technology • Expand distribution (aligned and external)	• Manage to plan margins • Focus on: – quality business – low lapses – quality service – low lapses – good underwriting – claims within pricing – claims management • Be flexible as markets change • Proactively manage retention
Life Direct	• Improve service offering and support to our Strategic Partners • Build out investment in Direct infrastructure • Refine product offering and sales approach	
Wealth	• Implement model portfolios for both margin and adviser efficiency • Develop mid-market super offering for “accumulation” segment • Expand distribution outside ClearView	• Educate the market on product value proposition • Meet consumer needs at the right price with the new mid-market product • Achieve appropriate investment performance – reduced outflows and ability to attract new business
Planning	• Continue to expand adviser base through recruitment of aligned advisers • Improve effectiveness of the dealer group model • Complete building high quality advice processes for each practice	• Recruit high quality advisers (providing good advice) who have the right cultural fit for ClearView. Quality over quantity • Continue to improve service offering and support to advisers
Business Services	• Focus on quality execution of initiatives • Improve process efficiency and back office automation • Research new opportunities	• Prioritised program of work with accountable owners and clear deliverables • Maintaining proactive approach to identifying profitable niche market opportunities

ClearView will continue to invest for growth to enable the business to deliver on its objectives

Agenda

ClearView

A	Background and Overview
B	1H FY14 Results
C	Strategy and Priorities
D	**Investment Opportunity**

More capital is required to support the expected growth

Capital requirements

Regulatory Capital

- The capital adequacy requirements of the life company are regulated under APRA Prudential Standards

Additional Capital Reserves

- The ICAAP[1] is an internal process required by APRA to identify the amount, location and form of capital to hold given the risk profile, business plan and working capital needs of the group
  - Regulatory capital buffer (risk capital) is a risk based capital amount which aims to address the risk of breaching regulatory capital
  - Working capital reserve is the capital held to support the capital needs of the business beyond the risk reserving basis. This includes the net capital anticipated to be needed to support the medium term new business plans (in accordance with the ICAAP approach)
- Life insurance has high upfront costs – but from year 2 generates positive cash flows. While ClearView remains a high growth company (relative to the in-force portfolio) it will likely remain a negative cash flow business and require net capital funding. This is reviewed over a 3 year forward period on a continuous basis

Capital position

Balance Sheet (31 December 2013)

- Net assets of $255m ($280m including ESP loans)
- Net tangible assets of $211m ($236m including ESP loans)
- The capital held to support the capital requirements is at the highest category (Common Equity Tier 1)
- No Debt
- $39m of capital above regulatory requirements and risk capital reserves. Of this, ~$29m was reserved to support future new business growth and $9.5m was considered excess shareholder funds

Other

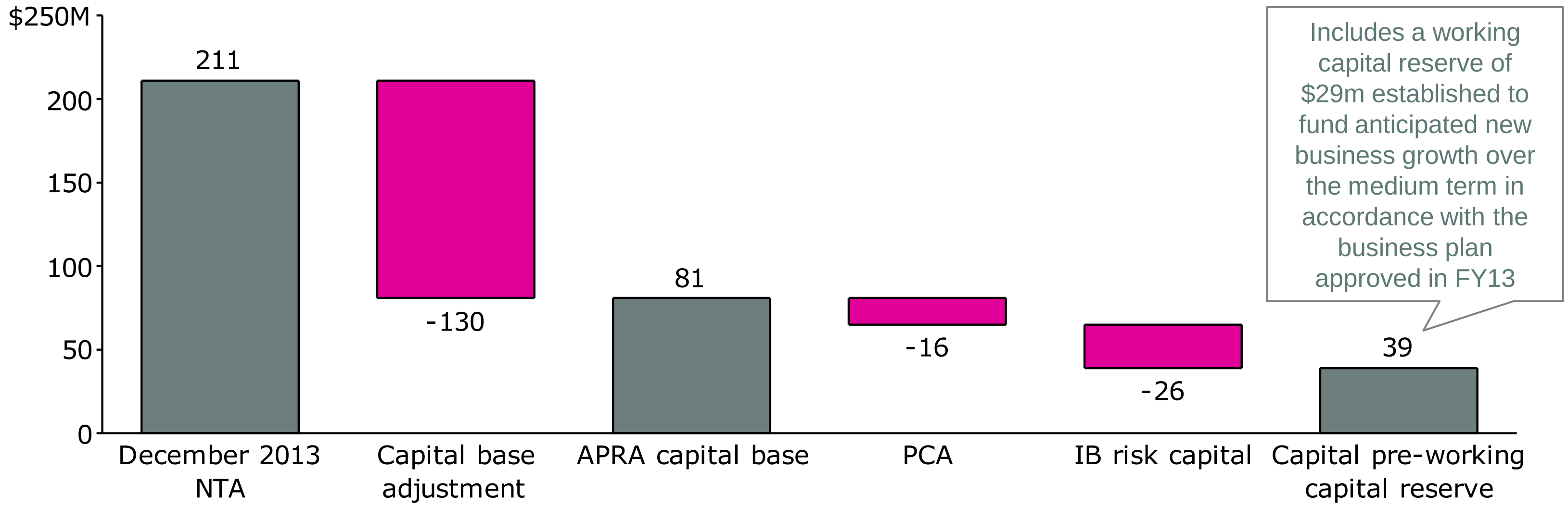
- Capital funding needs are predominantly linked to life new business production and related growth
- Potential acquisition opportunities in distribution may arise

ClearView has today announced a capital raising of approximately $45m by way of a fully underwritten entitlement offer ($25m) and a private placement ($20m). This will primarily be to increase the working capital reserves of the business to reflect accelerating growth in the life insurance business (both Advice and Direct)

Note 1: Internal Capital Adequacy Assessment Process.

Surplus Capital Position AT 31 DECEMBER 2013

Surplus Capital (December 2013)



Comments

- December 2013 NTA: Net Tangible Assets per the Balance Sheet
- Capital base adjustment: Removal of Deferred Acquisition costs (DAC) and other adjustments from the Capital Base
- PCA: Capital reserved in accordance with APRA prudential requirements and other ASIC requirements
- IB risk capital: Internal Benchmarks include risk capital held for protection of regulatory capital position and regulatory licences
- Capital pre-working capital reserve: Capital to fund future growth of the business

As at December 2013, ClearView has $39m of capital to fund future growth. While ClearView's rate of growth is high relative to the size of its in-force portfolio, ClearView needs to invest its surplus cash to fund its growth.
ClearView holds $29m of capital under its ICAAP for growth over the next 3 years.
Due to ClearView's increasing sales, the capital held for anticipated new business is likely to increase and therefore requires a capital raising.

Note: Surplus capital reported is surplus capital above internal benchmarks. Internal benchmarks exceed regulatory requirements.

Equity Raising Overview

Offer Structure and Size	• Fully underwritten equity raising to raise approximately $45 million, comprising: – An Institutional Placement to raise approximately $20 million; and – A 1 for 12 pro rata accelerated non-renounceable Entitlement Offer to raise approximately $25 million • Approximately 70.0 million new CVW shares to be issued (14.9% of total issued capital) • CVW's major shareholder, Crescent Capital Partners and its associates (holding approximately 59% of total issued capital) are supportive of the equity raising • Board members also intend to take up their full entitlement (Macquarie, Gary Weiss, Gary Burg, Simon Swanson[2])
Offer Price	• Offer price of $0.65 per new share, which represents a: – 9.0% discount to TERP[1]; and – 9.7% discount to the last closing price of $0.72 per share on 25 February 2014
Institutional Placement and Entitlement Offer	• Institutional Placement and the institutional component of the Entitlement Offer open to eligible institutional shareholders from 10:00 am to 5:00 pm, Wednesday 26 February (AEDT)
Retail Entitlement Offer	• Retail Entitlement Offer open to eligible retail shareholders in Australia and New Zealand from Thursday 6 March to 5pm, Friday 21 March • Eligible retail shareholders are being given the opportunity to apply for New Shares in excess of their entitlement[3] • Retail entitlements not taken up and entitlements of ineligible retail shareholders will be placed with the sub-underwriter
Ranking and Eligibility	• New Shares issued under the equity raising will rank equally in all respects with existing ordinary shares from allotment • New Shares issued under the Institutional Placement will not be eligible to participate in the Entitlement Offer
Use of Proceeds	• Proceeds from the equity raising will be deployed as follows: – $40 million will be used to fund ClearView's strong growth in in-force premiums; and – $5 million will be used to make a number of potential small investments and other activities to accelerate the growth of the business.
Underwriting	• Equity raising is fully underwritten by CBA Equities Limited (see the appendix at slide 58 for a description of underwriting and sub-underwriting arrangements)

Note 1: The Theoretical Ex-rights Price ("TERP") is calculated by reference to ClearView's closing price on 25 February 2014 of $0.72 per share, being the last trading day prior to the announcement of the equity raising. TERP is a theoretical calculation only and the actual price at which ClearView's shares trade immediately after the ex-date of the equity raising will depend on many factors and may not approximate TERP. TERP excludes the new shares issued under the Institutional Placement. Note 2: Simon Swanson will not take up his entitlement under the Institutional Offer. Instead, Mr Swanson's nominated investment vehicle will take up Mr Swanson's entitlement under the sub-underwriting arrangement described on slide 59. Note 3: Subject to a cap of $10,000 of Additional New Shares per Eligible Retail Shareholder. The number of Additional New Shares this represents will be calculated at the Offer Price. Applications for New Shares in excess of entitlements may be scaled back at ClearView's absolute discretion. Any allocation of additional New Shares will be made at ClearView's absolute discretion subject to a cap of $10,000 per shareholder .

Pro Forma Balance Sheet at 31 December 2013

ClearView

	Reported				Proforma
$'000	31-Dec-13	Capital Raised	Capital Raising Costs	Share buyback	31-Dec-13
ASSETS					
Cash and cash equivalents	223,111	45,475	(850)	(345)	267,390
Investments	1,287,724	-	-	-	1,287,724
Receivables	12,783	-	-	-	12,783
Fixed interest deposits	42,847	-	-	-	42,847
Reinsurers' share of life insurance policy liabilities	(6,396)	-	-	-	(6,396)
Deferred tax asset	9,639	-	255	-	9,894
Property, plant and equipment	1,354	-	-	-	1,354
Goodwill	4,858	-	-	-	4,858
Other intangible assets	39,140	-	-	-	39,140
Total Assets	1,615,060	45,475	(595)	(345)	1,659,594
LIABILITIES					
Payables	17,137	-	-	-	17,137
Provisions	3,594	-	-	-	3,594
Life insurance policy liabilities	(112,763)	-	-	-	(112,763)
Life investment policy liabilities	1,165,509	-	-	-	1,165,509
Liability to non-controlling interest in controlled unit	285,262	-	-	-	285,262
Deferred tax liabilities	1,311	-	-	-	1,311
Total Liabilities	1,360,050	-	-	-	1,360,050
Net Assets	255,010	45,475	(595)	(345)	299,544
Issued capital	285,601	45,475	(595)	(345)	330,135
Retained losses	(35,511)	-	-	-	(35,511)
Reserves	4,920	-	-	-	4,920
Equity Attributable to shareholders	255,010	45,475	(595)	(345)	299,544
Net Assets cents per share	59.5	-	-	-	60.0
Net Tangible Assets	211,012	-	-	-	255,546
NTA cents per share	50.1	-	-	-	51.9
No of shares on issue[1]	470,304	69,961	-	-	540,265

- Reported Balance Sheet as per the Half Year Report adjusted for the capital raising of $45.5m less share buyback of $0.3m
- Share capital reflected net of capital raising costs of $0.9m and related tax effect
- 70 million shares issued at 65 cents per share.
- Capital raising costs deductible for tax purposes over a 5 year period creating a DTA
- No debt
- Shareholder capital conservatively invested in cash and interest bearing securities
- Pro forma $54m surplus capital above internal target benchmarks post capital raising.

Note 1: Based on the number of shares on issue as at 26 February 2014.

Equity Raising Timetable

Key Event	Date[1,2]
Trading Halt	Wednesday, 26 February 2014
Announcement of 1H14 Results and Equity Raising	Wednesday, 26 February 2014
Placement and Institutional Entitlement Offer Opens	10:00am Wednesday, 26 February 2014
Placement and Institutional Entitlement Offer Closes	5:00pm Wednesday, 26 February 2014
Announcement of Outcome Under Placement and Institutional Entitlement Offer	Thursday, 27 February 2014
Trading in ClearView Shares Recommences on an ex-entitlement basis	Thursday, 27 February 2014
Record Date for Entitlement Offer	7:00pm Monday, 3 March 2014
Settlement of New Shares Issued Under Placement and Institutional Entitlement Offer	Wednesday, 5 March 2014
Allotment and Trading of New Shares Issued Under Placement and Institutional Entitlement Offer	Thursday, 6 March 2014
Retail Entitlement Offer Opens	Thursday, 6 March 2014
Retail Entitlement Offer Closes	5:00pm Friday, 21 March 2014
Announcement of Outcome Under the Retail Entitlement Offer	Monday, 24 March 2014
Settlement of New Shares Issued Under Retail Entitlement Offer	Wednesday, 26 March 2014
Allotment of New Shares Issued Under Retail Entitlement Offer	Thursday, 27 March 2014
Trading of New Shares Issued Under Retail Entitlement Offer	Friday, 28 March 2014
Dispatch of Holding Statements	Friday, 28 March 2014

Note 1: The above timetable is indicative only and subject to change. ClearView in conjunction with the Underwriter reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. Note 2: All times and dates are in reference to AEDT.

The ClearView Proposition: Key investment themes

1	Growing market	✓	• Life insurance market has been growing at 12% CAGR over the past 10 years and will benefit if there is a positive re-pricing cycle • Wealth management market has been growing at 8% CAGR (increased Superannuation Guarantee) • Regulated markets drive rational behavior • New life insurance licences are expensive and time consuming to obtain
2	Differentiated asset	✓	• Consolidated market ripe for a challenger such as ClearView • Limited number of Life/Wealth businesses that are not owned by a large bank or institution • Investing heavily for growth in targeted, profitable market segments • Limited legacy issues
3	Team with track record of success	✓	• Senior management team has "done it before" – either as challengers or industry leaders • Management and advisers are material owners of shares – >9% of shares • Board members represent >65% of shares and have a track record of guiding and investing in life insurance and wealth management businesses
4	Developing Momentum	✓	• ClearView has started to transition from "building a platform" for growth to delivering growth • Key performance metrics showing positive signs, including (FY11-1H14): 80% growth in in-force life premium, 7% growth in funds under management and an adviser base that has grown 98%
5	High asset backing	✓	• Total Embedded Value is \$380m[1] (\$0.81/share) including franking credits and ESP loans which provide material downside protection to investment • In-force portfolios acquired are generating over \$20m of cash p.a. to help fund the growth of the business
6	Operating leverage	✓	• Business is investing ahead of earnings which has been depressing short term profits • Cost overruns should decrease as the business grows, providing it with material operating leverage

Note 1: 1H FY14 Embedded Value and value of franking credits shown at 4% discount margin (dm%). See slide 16 for alternative Embedded Values at different dm%.

Summary and Outlook

Business Performance	• ClearView continues to invest for growth and is making progress in building out its systems and processes to expand on its success to date • Positive momentum in key operating metrics across the business in 1H FY14 vs. 1H FY13 – Life: In-force premium +38%; new business +25% p.a. – Wealth: FUM +14%; net flows now positive vs. negative – Planning: adviser numbers +16%; premium advised +38%; FUA +17% • Due to its targeted approach, ClearView has avoided most current industry profitability issues (e.g. Group Life and Pre GFC Income Protection losses) • UNPAT levels remain suppressed given current levels of investment and the existence of expense overruns, which are expected to reduce over the medium term as ClearView achieves scale
Capital Raising	• Due to the increasing sales and growth acceleration, the capital held for anticipated new business is likely to increase and therefore requires a capital raising of approximately $45m • Of this, $40m is intended to be used to fund ClearView's growth in in-force premiums (both Advice and Direct) with the remainder to be used to make investments to accelerate ClearView's growth • Crescent and Board members (Macquarie, Gary Weiss, Gary Burg, Simon Swanson[2]) intend to take up their full entitlements under the rights issue
Outlook	• Long-term market outlook appears positive for ClearView: – Life: Total life market has grown 10% p.a. last two years and is forecast to grow 7%-12% over next 10-15 years with retail taking greater share. Current industry issues may also present pricing opportunities for ClearView – Wealth: Retail FUM market has grown 12% p.a. last two years and future growth is expected to be supported by the increasing Superannuation Guarantee • ClearView will remains committed its near term strategic focus of: – Building on the initial sales growth of LifeSolutions; – Continuing to recruit experienced financial advisers and establishing more distribution agreements with independent financial advisers and strategic partners; – Refining its wealth and related product offerings; and – Continuing to invest significantly in its direct life insurance business, systems and people

ClearView remains well positioned for continued growth with a supportive shareholder base

Note 2: Simon Swanson will not take up his entitlement under the Institutional Offer. Instead, Mr Swanson's nominated investment vehicle will take up Mr Swanson's entitlement under the sub-underwriting arrangement described on slide 58.

APPENDIX

1H FY2014 Results

APPENDIX

Consolidated Result: Shareholder View[1] – 1H FY14

ClearView

6 MONTHS, $m	FY13		1H FY14	% CHANGE[2]
	1H	2H		
Financial planning fees[3]	7.8	7.6	8.0	2%
Funds Management fees	14.8	15.1	15.3	3%
Net life insurance premiums	23.9	26.9	32.4	36%
Interest income and Other	3.1	2.2	1.9	(36%)
Gross income	**49.6**	**51.8**	**57.6**	**16%**
Net claims incurred	(7.9)	(8.2)	(6.3)	(21%)
Commission expense[3]	(13.2)	(12.9)	(16.8)	27%
Investment and platform expenses	(2.9)	(3.0)	(2.8)	(4%)
Operating expenses	(22.9)	(23.6)	(27.3)	20%
Movement in policy liabilities	9.3	6.7	8.6	(8%)
Underlying NPBT	**12.0**	**10.8**	**13.0**	**9%**
Income tax expense	(3.5)	(3.3)	(3.9)	12%
Underlying NPAT	**8.5**	**7.5**	**9.1**	**7%**
Amortisation of intangibles	(3.8)	(3.7)	(3.8)	0%
Other Adjustments	(5.3)	(1.3)	(1.7)	(67%)
Reported NPAT	**(0.6)**	**2.5**	**3.6**	**NM**

- Gross income increased by 16% driven by the growth in net life insurance premium, partially offset by lower interest income
- Net claims incurred decreased with positive claims experience on the new LifeSolutions and Direct portfolio
- Commission expense variable cost driven by increased volume of life insurance new business activity
- Operating expenses increased driven by:
  - Investment to further develop the systems and processes to support the Group’s growth strategy;
  - Initial investment in wealth distribution to expand the WealthSolutions offering to a broader base of financial advisers;
  - Investment in revitalising the Direct life insurance business;
  - Increased distribution costs including the development of a national presence and the related build out of the business development team
- Other adjustments impacted reported profit as outlined on Slide 35

Note 1: Shareholder view excludes the life investments contracts (i.e. unit linked business) and deconsolidates retail unit trusts and reflects fees earned by the shareholder less expenses incurred. Note 2: % change represents the movement from 1H FY13 to 1H FY14. Note 3: Fee revenue and commission expenses exclude amounts from dealer services (aligned advisers) that net off each other (1H FY14 $15.2m;1H FY13: $11.3m). Commission expense includes adviser service fees paid.

Other Adjustments – 1H FY14

6 MONTHS, $m	FY13		1H FY14	% CHANGE[1]
	1H	2H		
Policy liability effect from change in discount rates	(2.1)	(0.2)	(2.5)	22%
Takeover bid related costs	(5.2)	(0.7)	-	-
Restructure costs	-	(0.9)	-	-
Income tax effect	2.0	0.5	0.8	(60%)
Total other adjustments (after tax)	**(5.3)**	**(1.3)**	**(1.7)**	**(67%)**

Note 1: % change represents the movement from 1H FY13 to 1H FY14.

- The policy liability discount rate effect is the result of the changes in long term discount rates used to determine the insurance policy liabilities. The life insurance policy liability (based on AIFRS) is discounted using market discount rates that typically vary at each reporting date and create volatility in the policy liabilities and consequently earnings. ClearView separately reports this volatility which represents a timing difference in the release of profit and has no impact on underlying earnings. This movement in policy liability creates a cash flow tax effect. The increase in long term discount rates over the last 18 months caused losses to be reported.
- Costs incurred related to the 2012 takeover bid, including adviser fees, legal fees, retention bonuses and ESP expenses associated with vesting of shares.
- Restructure costs in 2H FY13 relate to costs incurred in regional office closures and lease termination costs, legal fees and other restructure related costs in the financial advice business.
- Income tax effects includes the tax effect of the 2012 takeover bid related costs, restructure costs, the life insurance contract policy effects and the amortisation of software acquired on the acquisition of ClearView Financial Advice.

Life Insurance – 1H FY14

6 MONTHS, $m	FY13		1H FY14	% CHANGE[1]
	1H	2H		
Premium income	25.9	29.2	36.2	40%
Reinsurance premium	(2.0)	(2.4)	(3.8)	91%
Claims incurred (net)[2]	(7.9)	(8.2)	(6.3)	(21%)
Commission, Other External	(8.4)	(7.8)	(11.6)	39%
Operating expenses	(12.2)	(12.4)	(17.5)	45%
Interest income	1.0	1.1	1.1	17%
Movement in policy liability.	9.3	6.8	8.6	(8%)
Underlying NPBT	**5.7**	**6.3**	**6.7**	**18%**
Tax expense	(1.7)	(1.9)	(2.0)	18%
Underlying NPAT	**4.0**	**4.4**	**4.7**	**18%**

- In-force premium has increased significantly over the period. However, new written annualised premium contributes only a part of a year's premium income in the first year it is written. This reflects an inherent lag between new life insurance business written in the period and profit emergence.
- Favourable claims experience in 1H FY14 (refer to next slide)
- Commission expense variable cost driven by increased volume of life insurance new business activity. Other external includes variable component related to stamp duty and medicals necessary to underwrite a policy.
- An increase in operating expenses relates to
  - Distribution costs including the development of a national presence;
  - Investment to further develop the systems and processes necessary to support growth;
  - Investment in Direct life as outlined previously in the presentation; and
  - An increased shared services cost allocation into life as the business grows
- All life insurance acquisition related costs are deferred within the policy liabilities in accordance with the accounting standards.
- An increase in interest income was realised given the reallocation of shareholder cash to the life insurance segment (due to the growth in the business and its related capital requirements).

Note 1: % change represents the movement from 1H FY13 to 1H FY14.

Note 2: Given the current size of the life insurance portfolio and reinsurance arrangements in place (arrangements vary by product where the maximum net exposure exceeds $300k per life insured) some statistical claims volatility can be expected on the pre June 2011 direct term life book from period to period. Claims experience is anticipated to average out over time at the actuarial best estimate assumptions. As the in-force of LifeSolutions grows, with higher reinsurance arrangements in place, the relative claims volatility will reduce from period to period.

Life Insurance – 1H FY14 Analysis of Profit

6 MONTHS, $m	1H FY14
Planned Profit after tax	**6.8**
Claims experience	0.7
Lapse experience	(0.1)
Expense experience	(2.9)
Other	0.2
Underlying NPAT	**4.7**

- Planned profit reflects the expected profit margins based on actuarial assumptions. Planned profit margins of $6.8m were expected in 1H FY14. Expense overruns were $2.9m (relative to planned margins) - Refer to commentary below.
- Favourable claims experience profit (after tax) of $0.7 million compared to an adverse experience variation in 1H FY13 of $1.1m (relative to planned margins).
- Overall Life insurance lapse experience was broadly in line with the rates assumed in the life insurance policy liability (determined at 30 June 2013) with an experience loss of $0.1 million (after tax) in 1H FY14 (relative to planned margins).
- Emerging life insurers invest and incur overhead costs ahead of "getting to scale". These include establishment costs (e.g. management, product development), distribution costs (e.g. Business Development Managers, state offices) and administration infrastructure. The expense rates assumed in the planned profit are based on longer term unit costs, as opposed to current "expense overrun" levels. As the business gets to scale, these costs are progressively supported by business volumes that create operating leverage.
- New business is written to a long-term profit margin (as needs to be price competitive in the market). As such, expense overruns depress initial reported profits. These should be eliminated as scale is achieved, thereby increasing underlying profit margins through the in-force portfolio.
- Other relates to positive investment earnings experience (relative to planned) given the reallocation of capital to the Life segment.

Wealth Management – 1H FY14

6 MONTHS, $m	FY13 1H	FY13 2H	1H FY14	% CHANGE[1]
Fee revenue	14.8	15.1	15.3	3%
Interest income	0.8	0.4	0.4	(49%)
Commissions expense	(3.5)	(3.8)	(3.6)	1%
Operating and investment management expenses	(7.0)	(7.7)	(8.1)	14%
Underlying NPBT	**5.1**	**4.0**	**4.0**	**(20%)**
Income tax expense	(1.3)	(1.2)	(1.1)	(18%)
Underlying NPAT	**3.8**	**2.8**	**2.9**	**(21%)**
Funds under management[2]	1,432	1,531	1,626	**14%**
Net flows[2]	(33)	17	5	
Market movement	98	98	106	

- Average FUM levels increased over the half year due to positive investment market performance and improved net FUM flows, albeit with WealthSolutions new inflows written at a lower margin
- Reduction of investment earnings given shift in capital to support growth of life insurance
- Increased investment in wealth distribution in 1H FY14 given the intention to broaden out distribution
- Increased allocation of shared services costs
- WealthSolutions FUM net flows of $85m

Note 1: % change represents the movement from 1H FY13 to 1H FY14.
Note 2: Includes ClearView FUM, ClearView MIS and WealthSolutions.

Financial Advice – 1H FY14

6 MONTHS, $m	FY13		1H FY14	% CHANGE[1]
	1H	2H		
Fee revenue[2,3]	7.8	7.6	8.0	2%
Interest / other income	0.3	0.1	0.1	(70%)
Adviser fees expense[2,3]	(1.3)	(1.3)	(1.6)	26%
Operating expenses	(6.2)	(5.9)	(3.9)	(37%)
Underlying NPBT	**0.6**	**0.5**	**2.6**	**324%**
Income tax expense	(0.2)	(0.1)	(0.8)	364%
Underlying NPAT	**0.4**	**0.4**	**1.8**	**309%**
FUA	**1,865**	**2,143**	**2,207**	17%
FUM	1,432	1,531	1,626	14%
Risk insurance under advice (in-force) [4]	57	73	**79**	38%
LifeSolutions risk premium (in-force)	10	17	**22**	120%

- Net increase in FUMA levels over the half year driven by the positive performance of investment markets and the further recruitment of aligned advisers; no impact on margin due to adviser split arrangements
- Growth in adviser fees expense associated with the transition of some employed planners to franchised planners
- In 1H FY14, the dealer group model was restructured with a rationalised branch footprint and a restructured service model
- The above resulted in a reduction in the cost base; reduction in allocation of shared services overhead to other segments as per previous slides
- Reduction in other income due to raising of PI claims recoveries in prior period

Note 1: % change represents the movement from 1H FY13 to 1H FY14
Note 2: Fee revenue and commission expenses exclude amounts from dealer services (aligned advisers) that net off each other (1H FY14: $15.2m; 1H FY13: $11.3m). Includes Internal advice fee of 50bps earned on ClearView FUM (excluding funds under administration on WealthSolutions). This reverses out on consolidation.
Note 3: Adviser fees expense includes commission paid.
Note 4: Includes LifeSolutions risk premium.

Listed Entity – 1H FY14

6 MONTHS, $m	FY13 1H	FY13 2H	1H FY14	% CHANGE[1]
Interest income	1.0	0.6	0.3	(65%)
Operating expenses	(0.4)	(0.6)	(0.6)	58%
Underlying NPBT	**0.6**	**0.0**	**(0.3)**	**(160%)**
Income tax expense	(0.3)	(0.1)	(0.0)	(93%)
Underlying NPAT	**0.3**	**(0.1)**	**(0.3)**	**(226%)**
Other adjustments	(3.9)	(1.2)	-	(100%)
Reported NPAT	(3.6)	(1.3)	(0.3)	(89%)

- This segment represents the investment earnings on the cash and investments held in the listed and central services entities and in the shareholders fund of ClearView Life, less the costs associated with maintaining a listed entity
- The Company manages capital at the listed entity level in accordance with its ICAAP
- Loss of investment earnings from payment of dividends, transfer of capital to life segment to fund new business growth and lower cash earning rate
- Operating costs increased partly due to change in composition of Board structure post takeover
- Other adjustments relate to the after tax costs associated with the 2012 takeover bid

Note 1: % change represents the movement from 1H FY13 to 1H FY14.

Embedded Value and Capital Position

APPENDIX

Embedded Value (EV) Movement Analysis @ 4% DM by Segment FOR 6 MONTHS ENDED 31 DECEMBER 2013

MOVEMENT ANALYSIS @ 4% dm ($m)	Life	Wealth	Advice	Net Worth	Total
EV - 30 June 2013 (As Published)	**189.1**	**51.4**	**29.7**	**21.0**	**291.2**
Net Capital Applied	0.0	0.0	0.0	0.3	0.3
EV - 30 June 2013 @ 4% dm and post dividends/capital applied	**189.1**	**51.4**	**29.7**	**21.3**	**291.5**
Expected Gain	6.8	1.7	1.1	0.3	9.9
VNB Added	4.3	1.0	0.4	0.0	5.8
Impact of Claims	0.7	0.0	0.0	0.0	0.7
Impact of Discontinuances	(0.3)	0.4	(0.6)	0.0	(0.6)
Impact of Maintenance Expenses	(2.9)	(0.5)	0.2	0.1	(3.2)
Listing Expenses	0.0	0.0	0.0	(0.5)	(0.5)
FUMA Mark to Market	0.0	1.8	0.6	0.0	2.4
Other	4.8	(0.7)	(4.1)	0.2	0.2
EV at 31 December 2013 @ 4% dm	**202.4**	**55.1**	**27.3**	**21.4**	**306.1**

Embedded Value (EV) Movement Analysis Commentary

Reference	EV Impact	Reason for Movement
Net Capital Applied	$0.3m	The net impact of the Dividend Reinvestment Plan (DRP) and related repayment of Executive Share Plan loans by participants given their ineligibility to participate in the DRP under the Plan Rules. Net capital applied net of DRP costs.
Expected Gain	$9.9m	Expected gain represents the unwind of the discount rate within the value of in-force and investment earnings on net worth
VNB Added	$5.8m	Value added by new business written over the period. The current value of new business is suppressed by the startup and growth costs incurred. The acquisition cost overruns should decrease as the business grows, providing it with operating leverage.
Claims	$0.7m	This is the life insurance claims experience (relative to actuarial assumptions). The claims experience of the recently written business (Life Solutions and non-advice) was favourable in 1H FY14. Given the current small size of the insurance portfolio, some claims volatility from period to period is to be expected.
Discontinuance	($0.6m)	The impact of lapses on life insurance book and FUMA discontinuance. The life insurance lapses impact ($0.3m) was driven by lapse rates for legacy business being higher than expected (noting lapse rates for the more recent LifeSolutions business have been better than expected). Wealth had positive experience (+$0.4m) whilst the higher discontinuance rates for the Financial Advice business is offset by transfers to WealthSolutions which is included in the VNB number for Wealth.
Maintenance Expenses	($3.2m)	This relates to the maintenance expense overruns versus the long term unit costs assumed in the EV. This largely reflects the short term development and startup costs incurred in the insurance business as the business grows. As business gets to scale, these costs are progressively supported by business volumes that creates operating leverage. Expense overruns depress the EV initially; these reduce as scale is achieved, thereby increasing underlying profit margins through the in-force portfolio.
Listing Expenses	($0.5m)	This relates to listed entity related costs incurred by ClearView each year. These are not allowed for in the EV calculation.
FUMA mark to market	$2.4m	The net investment performance on the funds under management and advice over the period resulted in higher fee income relative to expectations.
Other	$0.2m	This includes the net effect of capital reallocations by segment, model enhancements, timing effects, actuarial assumption changes and regulatory capital base changes.

Net Assets & Capital Analysis at 31 December 2013

ClearView

RECONCILIATION OF NET ASSETS TO SURPLUS CAPITAL ($m):	Life	Wealth	Advice	Other	Total
Net Assets (Balance Sheet)	**165.4**	**23.4**	**14.7**	**51.5**	**255.0**
- Goodwill & Intangibles	(5.2)	(0.1)	(8.5)	(30.2)	(44.0)
Net Tangible Assets	**160.2**	**23.3**	**6.2**	**21.4**	**211.0**
- Deferred Acquisition Costs	(126.5)	(0.1)	0.0	0.0	(126.6)
- Other Adjustments to Capital Base	(0.6)	(0.1)	(0.1)	(2.7)	(3.5)
Capital Base (APRA)	**33.2**	**23.0**	**6.1**	**18.6**	**80.9**
- Prescribed Capital Amount, Regulatory Capital	(3.3)	(8.8)	0.0	(3.7)	(15.8)
- IB Risk Capital	(16.6)	(3.9)	(2.4)	(3.6)	(26.4)
- IB Working Capital	(13.0)	(6.5)	0.0	(9.8)	(29.3)
Excess Assets over Internal Benchmarks	**0.2**	**3.9**	**3.7**	**1.6**	**9.5**

- Surplus Capital represents surplus capital above internal benchmarks (IB). IB (Risk and Working Capital) exceeds the regulatory requirements.
- Life and General Insurance Capital (LAGIC) changes implemented with effect from 1 January 2013.
- Adjustments are made to the Capital Base for various asset amounts which are deducted, for example deferred acquisition costs (DAC), intangibles, goodwill and deferred tax assets (net of deferred tax liabilities).
- ClearView capital is currently rated Common Equity Tier 1 capital in accordance with the APRA capital standards.
- Internal Benchmarks include capital held for the protection of ClearView’s regulatory capital position in respect of risk outcomes where the regulatory capital cannot be readily accessed and to protect the various entities’ regulatory licences. It includes a working capital reserve of $29 million as at 31 December 2013 to fund anticipated new business growth over the medium term.

Net Worth Reconciliation at 31 December 2013

RECONCILIATION OF NET ASSETS TO SURPLUS CAPITAL:	Life	Wealth	Advice	Other	Total
Net Tangible Assets	**160.2**	**23.3**	**6.2**	**21.4**	**211.0**
- Add back software	5.2	0.1	0.0	0.0	5.3
- Capital included in VIF	(141.4)	(9.7)	(1.1)	0.0	(152.2)
Net Worth	**24.0**	**13.7**	**5.0**	**21.4**	**64.1**
- Deduct software and DTA	(5.8)	(0.2)	(0.1)	(2.7)	(8.8)
- Overhead & New Business Capital	(18.0)	(9.5)	(1.3)	(17.0)	(45.8)
Excess Assets over Internal Benchmarks	**0.2**	**3.9**	**3.7**	**1.6**	**9.5**

- The EV effectively involves incurring a “cost” for the capital held to support the in-force business. This is the capital that is included in the Value of in-force (VIF).
- The net worth is the net tangible assets not allocated to the capital reserves supporting the in-force business. Such assets are valued at face value as per the Balance Sheet.
- ClearView adopts an economic capital model that is allowed for in the EV to support the risk profile of the business.
- For all segments the regulatory capital base plus the relevant part of the internal benchmarks related to the in-force portfolio is adopted as the economic capital base. This excludes capital held for new business (acquisition related) and any regulatory amounts that would not be required on a transfer of the business to an acquirer (for example, most of the $5m Responsible Entity minimum capital amount is accounted for as part of the Net Worth in the EV).

1H FY2014 Impact of ESP Shares

APPENDIX

Impact of ESP shares

PER SHARE CALCULATIONS

6 MONTHS TO 31 DECEMBER 2013 $m (unless stated otherwise)	1H FY14
Number of shares on issue	425.4m
ESP shares on issue	44.1m
Shares on issue to calculate NAV per share (A)	469.4m
Net assets	255.0
ESP loans	24.7
Proforma net assets (B)	279.7
Fully diluted NAV per share = (B)/(A)	59.6 cents
Underlying NPAT	9.1
Interest on ESP loans after tax	0.0
Proforma underlying NPAT	9.1
Fully diluted underlying NPAT per share[1]	2.17 cents

BALANCE SHEET

- Accounted for as an option in accordance with AASB 2
- Limited recourse loan not reported as a receivable on Balance Sheet
- Loan repaid with cash if shares are “in the money”
- 44.1 million Employee Share Plan (ESP) shares on issue and $24.65 million loans receivable at 31 December 2013

INCOME STATEMENT

- Underlying NPAT adjusted for after tax interest on ESP loans

Note 1: Weighted average number of shares used for the purpose of calculating fully diluted underlying NPAT per share to take account of ESP shares on issue during the year (2.7million).

Management and Board

APPENDIX

Experienced management team with strong track record

Executive Management Team		Large Co. Experience	Startup Experience
Simon Swanson, Managing Director	• Over 15 years' experience as a Managing Director (MD) of life insurers and wealth managers in multiple jurisdictions, e.g. MD CommInsure, MD Sovereign • Effectively founder of ClearView in its current form • Associated with startup life insurance and wealth management businesses in Indonesia, Malaysia, Philippines	✓	✓
Athol Chiert, CFO	• Previously CFO of PrefSure Holdings and PrefSure Life • Associated from startup phase with the successful growth of both PrefSure and InsuranceLine in Australian life insurance market • Over 15 years' experience in finance industry including private equity and venture capital		✓
Greg Martin, Chief Actuary	• More than 30 years' actuarial experience – life insurance, funds management, other • 10 Appointed Actuary roles (including Macquarie Life, MetLife/Citi, IOOF) • Former adviser to a large number of life insurers and funds managers in Australia	✓	✓
Tony Thomas, Head of Operations & IT	• Has held senior roles at Calliden Group, TAL, PrefSure, Lumley and ING • Over 20 years' experience in the financial services industry • Involved in building the back offices of TAL and PrefSure	✓	✓
Elliot Singfield, Head of Direct	• Ex-Joint COO of TAL Direct (formerly InsuranceLine) with 13 years' experience in Direct life • 20 years' experience in Direct marketing	✓	✓
Justin McLaughlin, CIO	• Over 25 years' experience in financial markets with a range of investment, strategy and research roles in large superannuation funds, insurance and financial planning businesses	✓	✓
Todd Kardash, GM Distribution	• Former Head of Adviser Distribution at CommInsure • 25 years' experience in financial services, including at National Mutual/AXA and NAB/MLC	✓	
Chris Robson, General Counsel & Company Secretary	• Ex-General Counsel & Company Secretary at Challenger and ex-Head of Legal & Compliance at Barclays Global Investors • 25 years' financial services experience	✓	✓

Experienced team that knows what to do and how to do it.
Management and key advisers have substantial "skin in the game" and own >9% of the shares outstanding

Experienced Board with significant "skin in the game"

Board Members		Insurance	Wealth	High Growth Cos.	Shareholding
Gary Weiss	• Board record with life insurance businesses at Tower and Tyndall, and the wealth management business at Australian Wealth Management	✓	✓	✓	4.9%[1]
Gary Burg	• Board experience with life insurance businesses in South Africa and Australia as a director/investor at Capital Alliance, PrefSure Life and InsuranceLine	✓	✓	✓	1.9%
Michael Alscher	• Managing Partner and founder of Crescent Capital • Consulting experience for financial institutions at Bain and LEK • Chairman of Cover-More (travel insurance business)	✓	✓	✓	59%[2]
Nathanial Thomson	• Partner of Crescent Capital • Consulting experience for financial institutions at McKinsey • Formerly the Deputy Chairman of Cover-More	✓	✓	✓	59%[2]
Bruce Edwards	• Experience as board member of life companies • Director of Munich Re (Australia) • Ex-MD of KPMG Actuaries • Fellow of the Institute of Actuaries of Australia	✓	✓		0.1%
Andrew Sneddon	• Ex-Partner at PwC • Experience with startup businesses			✓	0.02%
Jenny Weinstock	• Senior VP at Macquarie Investment Management Private Markets • Ex-Investment Analyst at Mercer Investments	✓	✓	✓	59%[2]
Michael Lukin (Alternate)	• MD of Macquarie Investment Management Private Markets • Ex-Asset Consultant at Towers Perrin • Associate of the Institute of Actuaries of Australia	✓	✓	✓	59%[2]
David Brown	• Ex-Head of Private Markets for Victorian Funds Management Corp • Ex-Senior Funds Manager for Queensland Investment Corp		✓		

Supported by experienced board who have a track record of guiding and investing in insurance and wealth businesses

Note 1: Represents the interests of Ariadne Australia Limited.
Note 2: Represent the interests of CCP Bidco Pty Limited 46% and the interests of Macquarie Investment Management Limited 13%. CCP and MIMPM are associates as set out in ASX lodged Substantial Shareholder notices.

Key Risks

APPENDIX

Key Risks

This section discloses some of the key risks attaching to an investment in ClearView. The risks in this section are not, and should not be considered to be or relied on as, an exhaustive list of the risks relevant to an investment in ClearView.

Risks Specific to ClearView	
Asset related risks	The primary asset related risks borne by ClearView relate to the financial assets of ClearView and its operating subsidiaries. The financial assets of ClearView may be affected by changes in interest rates, foreign exchange rates, market conditions and equity prices. The key ClearView asset related risks are as follows: **a) Credit risks on counterparties** – Credit risk arises from ClearView's investment activities and the potential for loss arising from the failure of counterparties to meet their contractual obligations, and any change in value as a result of changes in counterparties' credit ratings. **b) Asset and investment liquidity risk** – A failure to be able to realise investments may result in ClearView failing to meet obligations under financial products offered, may result in compliance breaches and could damage the reputation of ClearView. More broadly, liquidity risk may affect the cash flow position of ClearView, making it difficult for ClearView to meet its liabilities as and when they fall due. **c) Asset concentration risk** – ClearView has significant current exposures to the major Australian banks via term and cash deposits with those banks. **d) Investment performance risk (client funds)** – The fees charged by ClearView vary with the level of policyholder and client funds under management and administration. Investment returns impact on the amount of funds under management and therefore on the fees earned. Underperformance of investment management of ClearView's funds may result in loss of such funds, as well as related reputational exposure. **e) Asset liability mismatch risk** – The assets held by ClearView to back its non-investment-linked liabilities (especially its policy liabilities and guaranteed investment contract liabilities) may not closely match the nature and term of those liabilities. To the extent that there is a significant duration mismatch between the term of the assets and the liabilities, changes in market interest rates may impact ClearView's financial performance and position in the short term and potentially longer term. The movement in other asset prices (e.g. equities) that affect the value of the assets but not the liabilities may have similar short and long term impacts.

Key Risks (Continued)

Product insurance and liability risk (Cont.)	A number of risks arise in respect of the pricing and performance of ClearView's products. **a) Insurance claims risk** – Adverse insurance claims experience relative to product pricing could arise from a number of sources including random (statistical) claims variations, community trends (e.g. obesity), pandemic or similar events, a catastrophe affecting a number of ClearView insured lives, poor underwriting or acceptance terms, poor claims management practice or ability or defective policy benefit terms. **b) Reinsurance risk** – ClearView has entered into reinsurance arrangements which reduce the insurance risks. However, a lack of appropriate reinsurance cover or historical errors leading to current reinsurance arrangements becoming ineffective may have a material adverse effect on ClearView. The availability, amount and cost of reinsurance can be affected by prevailing market conditions, in terms of price and available capacity. There are also risks associated with the financial security of its reinsurers and that reinsurers may dispute or default on their obligation to pay valid claims. **c) Competition** – ClearView may lose business to its competitors if it is unable to demonstrate technical expertise, competitive pricing and reliable performance to customers. **d) Customer discontinuance and lapse** – The loss of customers at rates higher than anticipated leads to a loss of future revenues and the write off of the asset components within the policy liability (resulting in losses) **e) Expenses and costs of business** – The failure of ClearView to maintain or improve the relationship between its operational cost base and the expense margins available in the market prices it charges for its products and volume of business it generates and maintains, may result in the underperformance of ClearView relative to investor expectations. Factors impacting this risk include internal business efficiency and technology use, and external factors such as regulatory change demands.
Strategic position and capability	ClearView is exposed to risks in its competitive environment, the volume of business it can write and fees it can generate, and its ability to manage and react to these challenges. **a) Reliance on senior management and key personnel** – The operating and financial performance of ClearView is dependent on its ability to retain senior management and key personnel to manage the business and respond to its changing environment.

Key Risks (Continued)

Strategic position and capability (Cont.)	**b) Reliance on financial advisers and distribution** – Failure to retain and motivate ClearView Financial Advice financial advisers would be likely to have a material adverse effect on future earnings and the value of ClearView's business. Failure to retain ClearView products on Approved Product Lists would be likely to have a material adverse effect on future earnings and the value of ClearView's business. Production of non-advice (direct) life insurance sales depends on maintaining sound business relationships with existing strategic and other distribution partners and establishing new strategic partners in the future. **c) Demand for financial products and services** – Demand for ClearView's financial products and services is impacted by changes in external investment markets and economic conditions. For example, weak equity markets can discourage customers from investing as well as increase fund outflows from existing products. Demand for ClearView's investment products and services is also impacted by ClearView's investment performance relative to the investment performance of its competitors. Insurance product demand can be impacted by cost pressures on households, economic uncertainty (although often favourably) and changing population demographics.
Operational and legal risk	**a) General operational risks** – ClearView is exposed to operational risks arising from process error, fraud, system failure and failure of security and physical protection systems. **b) Reliance on technology, systems and outsourcing** – A significant or sustained failure in ClearView's information technology infrastructure or systems or by an outsource provider could have a material adverse effect on ClearView. ClearView could be adversely affected by changes in the business or financial condition of one or more of a significant supplier, a joint venture partner or a significant customer. **c) Risk of litigation and dispute** – ClearView is subject to the usual business risk that disputes or litigation may arise from time to time in the course of its business activities. This risk could include risks of disputes and litigation concerning poor financial advice by ClearView financial advice and insurance claims disputes and litigation. The failure of ClearView's professional indemnity insurers or life reinsurers to support ClearView's position on material matters would exacerbate this risk.
Regulatory compliance	**a) Reliance on licences** – A number of ClearView group companies hold licences and are required to comply with regulations. If any of them fails to comply with the licence or the regulations, this could result in the suspension or cancellation of the licence or authorisation which enables it to operate its business. Such a breach or loss would have a material adverse effect on ClearView's business, financial performance and reputation.

Key Risks (Continued)

Regulatory compliance (Cont.)	**b) Capital management and reserving** – Any failure to comply with the capital requirements which apply to ClearView group companies could have a material adverse impact on ClearView's regulatory status and reputation, and as a consequence its business and financial performance.
Changes in government policy and legislation, financial reporting	**a) Financial advice regulation** – It is possible that future regulatory changes may restrict the advice fee model for financial advisers, which may adversely impact the financial advice business of ClearView. Further, a greater degree of regulatory uncertainty around the financial advice industry in general may change valuation metrics for financial advice businesses, which in turn could adversely affect the value of an investment in ClearView. **b) Financial reporting & financial regulation** – The reported financial performance of ClearView is reflected under the current financial reporting standards that apply (A-IFRS). While changes in these standards may not change the underlying economics of ClearView, they have the potential to impact the market's perception of ClearView and the ability of ClearView to explain its economics, impact its tax liabilities, dividend payment and franking, and secondary impacts on regulatory position. It is noted that material changes to the current insurance accounting standard are proposed for implementation in the future. – Changes to the regulatory capital requirements of ClearView's licensed entities, or other similar changes such as liquidity or asset profile standards, could impact the business economics of ClearView. – It is noted that both these items would have impacts on the broader industry as well.

General Risks

The future price of Shares is subject to the uncertainty of equity market conditions	There are general risks associated with an investment in the share market. Such risks may affect the value of Shares. The value of Shares may rise above or fall below the Offer Price, depending on the financial position, operating performance and dividends of ClearView. Further, broader market factors affecting the price of Shares are unpredictable and may be unrelated or disproportionate to the financial performance of ClearView. Such factors may include the rate of inflation, changes in interest rates, the economic conditions in Australia and overseas, investor sentiment in the local and international stock markets, consumer sentiment, changes in fiscal, monetary, regulatory and other government policies, changes in laws, global political and economic stability, interest and inflation rates and foreign exchange rates.

Key Risks (Continued)

Risks associated with not taking up your entitlement under the Offer	If you do not take up all of your entitlements under the Offer, your percentage shareholding in ClearView will be reduced and you will not receive any value for your entitlements.
Forward looking statements	Forward looking statements, opinions, estimates and projections are dependent on various factors, many of which are outside of the control of ClearView. There is a risk that assumptions and contingencies upon which forward statements, opinions, estimates and projections are based may differ from what may actually result. This could impact upon the value of Clearview shares.

Underwriting and sub-underwriting arrangements

APPENDIX

Underwriting and sub-underwriting arrangements

Underwriting Agreements and Fees

ClearView and CBA Equities Limited (ABN 76 003 485 952) (the **Underwriter**) have entered into an underwriting agreement dated 26 February 2014 (**Underwriting Agreement**) pursuant to which the Underwriter agrees to underwrite subscriptions for the New Shares offered under the Institutional Entitlement Offer and the Retail Entitlement Offer for which valid applications are not received and which are not allotted to Eligible Retail Shareholders as Additional New Shares, at the Offer Price. As is customary with these types of arrangements:

- ClearView has agreed to indemnify the Underwriter, its affiliates and related bodies corporate and the directors, partners, officers, employees, agents and representatives of the Underwriter, its affiliates and related bodies corporate, in connection with the Entitlement Offer; and
- the Underwriter may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events. Those events include (but are not limited to) where:
    - ClearView shares are suspended from trading on or cease to be quoted on ASX, or ClearView is delisted;
    - ClearView withdraws the Entitlement Offer (or any part of it);
    - ClearView or its subsidiaries become insolvent;
    - there is a delay in the timetable for the Retail Entitlement Offer of more than 2 Business Days without the prior written approval of the Underwriter;
    - there is a change in the senior management of ClearView or a change to the ClearView Board;
    - the Retail Offer Booklet (or any other offer document) was false, misleading or deceptive (including by way of omission) at the time of issue;
    - the taking of regulatory action by ASIC in relation to the Entitlement Offer;
    - ASX withdraws, revokes or amends the ASX waivers in relation to the Entitlement Offer;
    - civil or criminal proceedings are brought against ClearView or any officer of ClearView in relation to any fraudulent, misleading or deceptive conduct relating to ClearView in connection with the Offer;
    - a representation or warranty made or given by Clearview under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect; or
    - ClearView breaches, or defaults under, any provision, undertaking covenant or ratio of a material debt or financing arrangement or any related documentation to which that entity is a party or an event of default, potential event of default, or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing or other similar event occurs under or in respect to any such debt or financing arrangement or related documentation.

Representations and warranties

The Underwriting Agreement contains common representations and warranties provided by ClearView to the Underwriter. The warranties and representations relate to matters such as the conduct of the parties, the conduct and outcome of the due diligence process, information provided to the Underwriter, financial information, material contracts, licences, compliance with ASX Listing Rules and laws, information contained in this Retail Offer Booklet and other offer materials and the conduct of the Entitlement Offer.

Underwriting and sub-underwriting arrangements (continued)

Sub-underwriting arrangements

ClearView's largest investor, Crescent Capital Partners and its associates currently hold shares in ClearView through the following entities:

- CCP Trusco 1 Pty Limited (ACN 143 361 488) as trustee for Crescent Capital Partners Specific Trust IVA;
- CCP Trusco 2 Pty Limited (ACN 143 361 497) as trustee for Crescent Capital Partners Specific Trust IVB;
- CCP Trusco 3 Pty Limited (ACN 143 361 504) as trustee for Crescent Capital Partners Specific Trust IVC;
- CCP Trusco 4 Pty Limited (ACN 143 361 522) as trustee for Crescent Capital Partners Designated Trust IVA;
- CCP Trusco 5 Pty Limited (ACN 147 892 706) as trustee for Crescent Capital Partners Designated Trust IVB;
- Macquarie Investment Management Limited (ACN 002 867 003) as trustee for Macquarie CVW Co-Investment Trust;
- CCP BidCo Pty Limited (ACN 159 362 428) as trustee for CCP Bidco Trust 2,

(together, the **Declining Shareholders**); and

- CCP BidCo Pty Limited (ACN 159 362 428) as trustee for CCP Bidco Trust (**CCP BidCo**).

CCP BidCo has committed to subscribe for its pro rata entitlement under the Institutional Entitlement Offer at the Offer Price. Each Declining Shareholder has agreed not to take up its entitlement so that such entitlements can be taken up by CCP BidCo under the sub-underwriting arrangement described below.

CCP BidCo has also entered into a sub-underwriting agreement (**Sub-underwriting Agreement**) with the Underwriter pursuant to which CCP BidCo agrees to sub-underwrite subscriptions for the New Shares offered under the Entitlement Offer for which valid applications are not received and which are not allotted to Eligible Retail Shareholders as Additional New Shares, at the Offer Price. The effect of this sub-underwriting arrangement is that to the extent that there is any shortfall after allocation of the Additional New Shares to Eligible Retail Shareholders, the remaining New Shares not allocated to Mr Swanson's investment vehicle (as described below) will be subscribed for by CCP BidCo. ClearView will not be required to pay any fee to CCP BidCo in connection with this sub-underwriting arrangement.

ClearView's Managing Director, Simon Swanson, currently holds shares in ClearView in a personal capacity and through his investment vehicle. Mr Swanson and his investment vehicle, will not take up their entitlements under the Institutional Entitlement Offer. Instead, Mr Swanson's investment vehicle has entered into a sub-underwriting agreement (**Sub-underwriting Agreement**) with the Underwriter pursuant to which Mr Swanson's investment vehicle agrees to sub-underwrite subscriptions for a number of New Shares equal to Mr Swanson's, and his investment vehicle's, entitlements under the Institutional Entitlement Offer. Mr Swanson's investment vehicle will subscribe for any New Shares offered under the Entitlement Offer for which valid applications are not received and which are not allotted to Eligible Retail Shareholders as Additional New Shares, at the Offer Price, up to Mr Swanson's entitlement under the Institutional Entitlement Offer. ClearView will not be required to pay any fee to Mr Swanson's investment vehicle in connection with this sub-underwriting arrangement.

In addition to the above, the Sub-underwriting Agreements contain the following terms:

- The Underwriter offers CCP BidCo and Simon Swanson's investing entity (each, a Sub-underwriter) the opportunity to apply for, and each Sub-underwriter irrevocably agrees to apply for, and pay the offer price for, up to the relevant number of sub-underwritten securities for each sub-underwriter;
- Each Sub-underwriter will continue to be bound to acquire the number of shares specified in the relevant Sub-underwriting Agreement unless the Underwriter exercises its right of termination under the Underwriting Agreement; and
- Each Sub-underwriter acknowledges that it will not be entitled to receive a fee from the Underwriter in connection with the sub-underwriting arrangements.

Underwriting and sub-underwriting arrangements (continued)

On the basis that CCP BidCo and Mr Swanson's investment vehicle acquire the maximum number of New Shares under the Sub-underwriting Agreements, their voting power in respect of ClearView shares will be as follows:

	Before the placement	On completion of the Entitlement Offer
CCP BidCo (and associates)	59.0%	58.6%
Simon Swanson (and associates)	2.6%	2.4%

International Offering Jurisdictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

New Zealand	This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). The New Shares in the entitlement offer are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Other than in the entitlement offer, New Shares may be offered and sold in New Zealand only to: • persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or • persons who are each required to (i) pay a minimum subscription price of at least NZ$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ$500,000 for securities of the Company ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.
South Africa	This document does not, nor is it intended to, constitute a prospectus prepared and registered under the South African Companies Act and may not be distributed to the public in South Africa. An entity or institution resident in South Africa may not implement participation in the Offer unless (i) permitted under the South African Exchange Control Regulations or (ii) a specific approval has been obtained from an authorised foreign exchange dealer in South Africa or the Financial Surveillance Department of the South African Reserve Bank.
Switzerland	The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. Neither this document nor any other offering or marketing material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA). This document is personal to the recipient only and not for general circulation in Switzerland.

International Offering Jurisdictions (continued)

United Kingdom	Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom. Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to the Company. In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.
United States	This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.