

Media Release

21 October 2009

BT Investment Management Limited appoints new CEO

BT Investment Management Limited (BTIM) today announced that Mr Emilio Gonzalez has been appointed as Chief Executive Officer. Mr Gonzalez will join BTIM on 21 January 2010 with Mr Brian Scullin remaining as Executive Chairman in the interim.

Mr Gonzalez was formerly Group Executive, Global Equities, at Perpetual Limited (Perpetual). During his 19 years at Perpetual, Mr Gonzalez has held a number of key executive positions including Chief Investment Officer, Group Executive Australian Equities and Head of Research.

Mr Brian Scullin, Executive Chairman of BTIM, said: "The Board is delighted that Mr Gonzalez has accepted the position of CEO. His values closely align with those of BTIM and we believe he has the understanding, depth of experience and leadership qualities which will enable him to lead BTIM successfully and actively continue its development.

"BTIM is recognised as one of Australia's best performing funds management companies. Two years after listing, BTIM is in a strong position, with solid fund performance, strong cost control and an excellent brand and reputation. The appointment of Mr Gonzalez comes at a time when improving equity markets are offering good growth platforms for our strategies."

Commenting on his appointment, Mr Gonzalez said: "I am very pleased to have been given this unmatched opportunity to lead such an iconic Australian funds management company. What attracted me to BTIM is its focus on investment management, the high quality of its people, brand and its recognised professional culture."

"I believe my broad experience and specialist funds management skills will enable me to lead BTIM at an exciting time in its development and in an environment which offers many emerging opportunities."

The appointment of Mr Gonzalez follows an international search and a strong line-up of both local and international candidates. Attached are Mr Gonzalez's biography (Attachment One) and the Key Terms and Conditions of his Employment Agreement (Attachment Two).

For further information on this media release, please contact:

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**ATTACHMENT ONE
MR EMILIO GONZALEZ
CONCISE BIOGRAPHY**

Mr Emilio Gonzalez has more than 23 years experience in the investment management industry.

Emilio has most recently been Group Executive, Global Equities, at Perpetual Limited for the last year. In this role at Perpetual, Emilio was responsible for all aspects of the global equities business including the asset management team, strategy, sales, marketing and distribution.

Prior to this, Emilio was appointed to the role heading up the Australian & Global Equities business in 2007, when Perpetual Investments was restructured from a functional organisation to an asset class business structure. Emilio was also responsible for the distribution team across the country that sold products to the financial planning community.

Previously Emilio was Chief Investment Officer for six years and managed the day-to-day operations of the Asset Management division across all asset classes, being Australian equities, global equities, listed property, infrastructure, credit, mortgages, fixed income and diversified/balanced funds. During his time as Chief Investment Officer, funds under management grew from \$13 billion to a peak of \$30 billion and the team grew to 60 people.

During his early tenure at Perpetual, Emilio was also responsible for establishing and running a currency program, tactical asset allocation strategies, Perpetual's diversified and balanced funds as well as Head of Research for three years.

Prior to joining Perpetual, Emilio worked as the chief dealer at Nikko Securities (Australia) Limited and as a retail client advisor at Norths Stockbroking Limited.

Emilio served on the Board of the CFA Institute for 7 years and was the first Australian to chair the CFA Institute in the 2008 financial year.

Emilio holds a Bachelor of Commerce (Economics) degree from the University of Wollongong and is a Chartered Financial Analyst. He is married with 2 children.



Investment
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**ATTACHMENT TWO
MR EMILIO GONZALEZ
SUMMARY OF KEY TERMS OF EXECUTIVE EMPLOYMENT AGREEMENT**

| TERM | CONDITIONS |
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| Fixed Remuneration Package | <p>Fixed remuneration package of \$600,000 per annum consisting of base remuneration (which is calculated on a total cost basis and includes any Fringe Benefit Tax charges related to employee benefits) as well as employer contributions to superannuation.</p> <p>The level of fixed remuneration package has been determined based on external benchmarks and independent advice.</p> <p>Fixed remuneration will be reviewed annually to ensure it is competitive with the market. There are no guaranteed base remuneration increases included in the Executive Employment Agreement (Agreement).</p> |
| Variable Reward (VR) | <p>Eligible to be considered for a variable reward payment under the Corporate VR Plan for each Financial Year, in accordance with the terms of the Corporate VR Plan and which is approved annually by the Board. The variable reward target will be reviewed and set annually by the Board, as part of the annual remuneration review cycle. Under the current terms of the Corporate VR Plan, up to 50% of the variable reward is received as equity, subject to vesting over 5 years.</p> <p>Variable Reward for 2009/2010 Financial Year will be structured as follows:</p> <ul style="list-style-type: none">• The variable reward target is \$1.8 million (2010 VR Target)• Entitlement to receive the 2010 VR Target, however the Board may, in its absolute discretion, increase or decrease this amount by up to 20%.• Recognising entitlements foregone, the variable reward for the 2009/2010 Financial Year will not be prorated to reflect partial service in that Financial Year. |
| Sign on (Initial Equity Grant) | <p>An initial equity grant to the value of \$2.3 million of unvested BTIM shares (Initial Grant) will be made under the Employee Equity Plan. The allocation will vest in five tranches as follows:</p> <p>Tranche 1: 30% of grant, vesting 1 year from 1 October 2009; Tranche 2: 30% of grant, vesting 2 years from 1 October 2009; Tranche 3: 15% of grant, vesting 3 years from 1 October 2009; Tranche 4: 15% of grant, vesting 4 years from 1 October 2009; Tranche 5: 10% of grant, vesting 5 years from 1 October 2009.</p> <p>To enable the Initial Grant to be made, the Trustee of the Employee Equity Plan will be asked to acquire BTIM shares to the value of \$2.3 million, on market, in the two months prior to the commencement of employment.</p> |

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| | Any acquisitions by the Trustee will be made in accordance with the Employee Equity Plan Rules and the guidelines approved by Board that acquisitions should be less than 30% of the average daily trading volume. |
| Agreement and duration | The Executive Employment Agreement is an open ended permanent full time common law contract. The Agreement is ongoing until notice is given by either party. |
| Termination Arrangements | <p>Notice Period</p> <p>Either party may at any time and for any reason (including redundancy) terminate this Agreement by giving to the other 6 months' written notice.</p> <p>Termination with Notice</p> <p>The Company and the CEO may at any time and for any reason (including redundancy) terminate this Agreement by giving 6 months' written notice.</p> <p>During a period of notice, the Company may bring the Employment to an immediate end and pay an amount in lieu of notice, equal to the Fixed Remuneration Package that would have applied during the remaining portion of that notice period.</p> <p>On termination, there is an entitlement to receive:</p> <ul style="list-style-type: none"> • accrued but unpaid fixed remuneration package as at the date of termination of employment (Termination Date); • accrued but unused annual leave and long service leave as at the Termination Date; and • all vested and unvested shares relating to the Initial Grant as at the date of notice of termination (Notice Date) <p>Any payment made with respect to variable reward for the Financial Year in which the Notice Date or Termination Date occur and all unvested equity entitlement relating to variable reward as at the Notice Date will be determined by the Board at its discretion.</p> <p>Termination by the Company for Cause</p> <p>The Agreement may be terminated immediately by the Company if the CEO:</p> <ul style="list-style-type: none"> • commits any breach of the Agreement which the Board, acting reasonably, considers to be serious; • breaches of warranty; • is convicted of any crime, or charged with any crime alleging fraud, negligence, breach of fiduciary duty, or material violation of law relating to securities, investment management or corporations; • fails to meet or to maintain the required standards under any relevant licensing regime or is disqualified by any regulatory authority for any reason; • becomes subject to any investigative proceedings by any regulatory body (other than for minor, technical issues or ordinary course audits and investigations) or subject to any litigation or legal or administrative proceedings or claim alleging fraud, negligence, breach of fiduciary duty, or material violation of law relating to securities, investment management or corporations; or |

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| | <ul style="list-style-type: none"> • acts in a manner which, in the opinion of the Board will detrimentally affect the Company's business or reputation. <p>On termination, is the CEO an entitlement to receive:</p> <ul style="list-style-type: none"> • accrued but unpaid fixed remuneration package as at the date of termination of employment (Termination Date); and • accrued but unused annual leave and long service leave as at the Termination Date. <p>There is no entitlement to any variable reward for the year in which termination occurs or to any unvested equity grants.</p> <p>Termination due to illness or disability</p> <p>The Company may immediately terminate the employment by written notice if at any time the CEO is unable to perform his duties for a period of 90 consecutive days or for 90 days in a period of 180 days due to sickness or disability. The Agreement will also automatically terminate as a result of the CEO's death.</p> <p>If the Agreement is terminated due to illness or disability the Company may bring the Agreement to an immediate end and pay an amount in lieu of notice, equal to the Fixed Remuneration Package that would have applied during the remaining portion of the notice period.</p> <p>On termination, there is an entitlement to receive:</p> <ul style="list-style-type: none"> • accrued but unpaid fixed remuneration package as at the date of termination of employment (Termination Date); • accrued but unused annual leave and long service leave as at the Termination Date; and • all shares to which there is a vested entitlement as at the date of notice of termination. |
| <p>Post Employment Restraints</p> | <p>For a period of 6 months after cessation of employment, there is a restraint on providing services (including as an employee or contractor) to a competitor or a business in the same or similar industry in New South Wales, Victoria and Queensland, as well as a prohibition during that period on soliciting staff, suppliers or customers of the Company.</p> |