

Company Announcements
Australian Stock Exchange, Sydney
By e-lodgement

7 December 2006

**CLIME INVESTMENT MANAGEMENT LIMITED (“CIW”) TO
CEASE MONTHLY NTA REPORTING AS TRANSITION TOWARDS
INTEGRATED FINANCIAL SERVICES BUSINESS CONTINUES**

We are writing to advise that the ASX has confirmed Clime Investment Management Ltd is no longer deemed an “Investment Entity” for the purposes of the ASX Listing Rules. As such, the obligation under ASX Listing Rule 4.12 to report Net Tangible Assets (“NTA”) on a monthly basis no longer applies and CIW will discontinue the practice effective immediately.

The divestment of core holdings Aevum Limited, Farm Pride Foods Limited, Waterco Limited and Webster Limited over the past 18 months, together with the acquisition of unlisted funds management businesses Clime Asset Management Pty Ltd and Australian Financial Management (Investment) Pty Ltd, are the primary drivers behind this change.

The Board recognises that NTA reporting is a reliable indicator of performance for investment companies that have predominantly passive investments in listed securities where there is little subjectivity in the determination of market values. This becomes less reliable as a measure of value, however, where a Company alters the composition of its balance sheet by acquiring businesses with material goodwill and intangible asset components.

As CIW continues to progress its strategy of redeploying capital from direct investments to funds management and wealth advisory businesses, the value of its goodwill and intangible assets – including management contracts and licences – has increased and will continue to do so. In this context, the Board believes that NTA has lost relevance to investors and will only serve to be a misleading measure of underlying value.

We consider the acceptance of this position by the ASX as yet another important step in the Company’s transition from a history of passive, direct investments towards building an integrated and highly profitable financial services business.

Please contact me on (02) 9252 8422 should you require any further details.

Yours sincerely,



Cameron Fellows
Company Secretary