

La Trobe Financial

Income in retirement

Michael Watson

Executive General Manager Head of Distribution - APAC

Michael Watson is Executive General Manager – Head of Distribution APAC and works within the Private Wealth Management team in La Trobe Financial's Melbourne office.

Michael joined La Trobe Financial in May 2013 and heads up a team of private wealth account managers and a team of national BDMs. In his role, Michael is responsible for the growth of the La Trobe Australian Credit Fund and presents to retail and wholesale audiences nationally on a range of topics including fixed income and income focused investment.

Michael has completed a Bachelor of Business (Economics & Marketing), an MBA, a Diploma of Financial Planning and a Certificate IV in Mortgage Broking.



On 22 December 2017 La Trobe Financial announced a strategic partnership with Blackstone LLP. Certain Blackstone Tactical Opportunities Funds acquired an 80% stake in the Group from entities associated with our Chief Executive Officer (CEO) Mr Greg O'Neill. Mr O'Neill remains CEO and controls 20% of the Group. There are no changes to the executive management team as a result of this partnership. The strategic focus of the Group going forward is managed growth with no changes to risk appetite. This partnership with Blackstone is both risk and ratings positive for investors.

The quality of a relationship often takes years to be recognised.



380+ employees



Served over
140,000 clients



Broad Loan
Product Range



Asia-Pacific's Best
Credit Fund*



2017 Strategic
Partnership

67 Years
of continuous
operation

140,000
customers
since 1952

\$22.76 billion
total investment
mandates

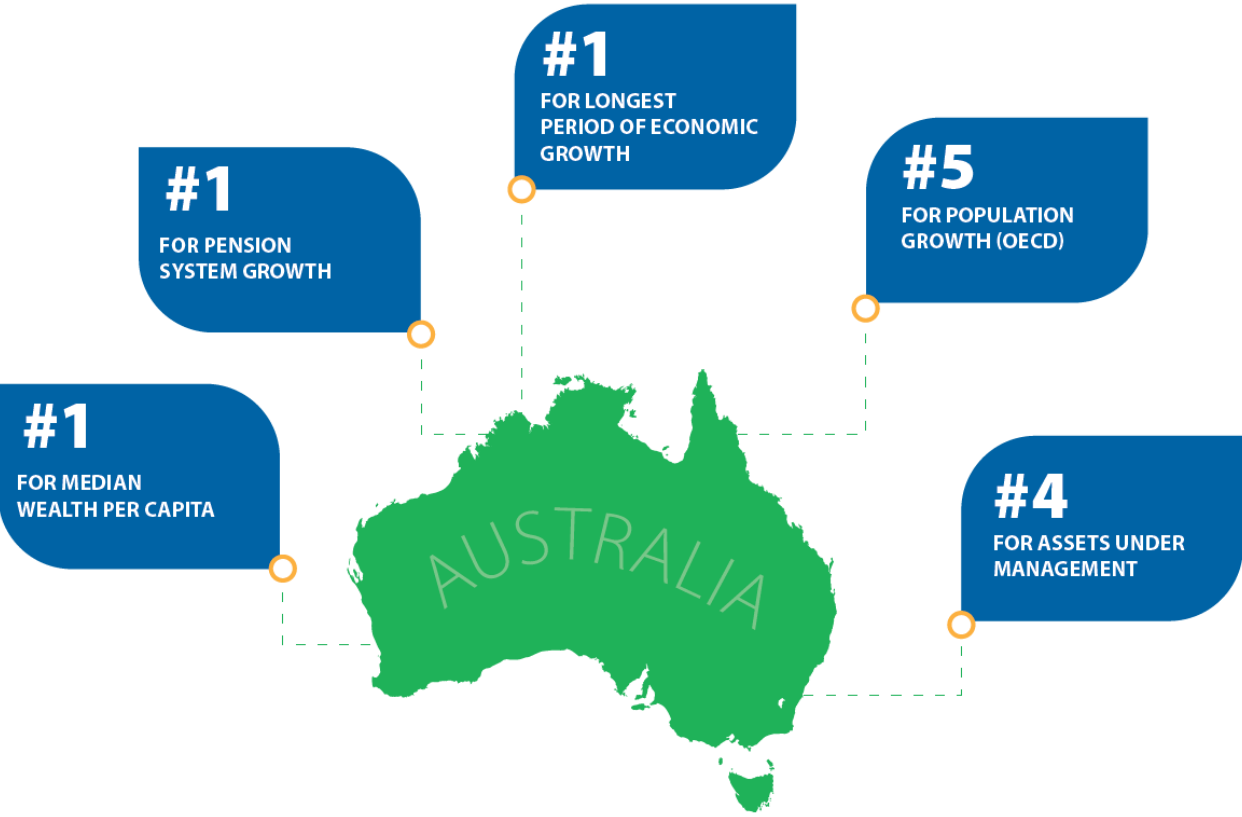
\$10.3 billion
Loan applications
assessed each year

10x
Award-winning Credit
Fund *Money Magazine*

2019*
Best Specialist Lender &
Best Asset Manager IAIR

Income in retirement

A big issue



POPULATION GROWTH (OECD)

COUNTRY	POPULATION GROWTH (OECD)
Luxembourg	2.2
New Zealand	2.1
Israel	2.0
Turkey	1.6
Australia	1.5
Iceland	1.4
Mexico	1.3
Sweden	1.3
Canada	1.2
Austria	1.1

ASSETS UNDER MANAGEMENT

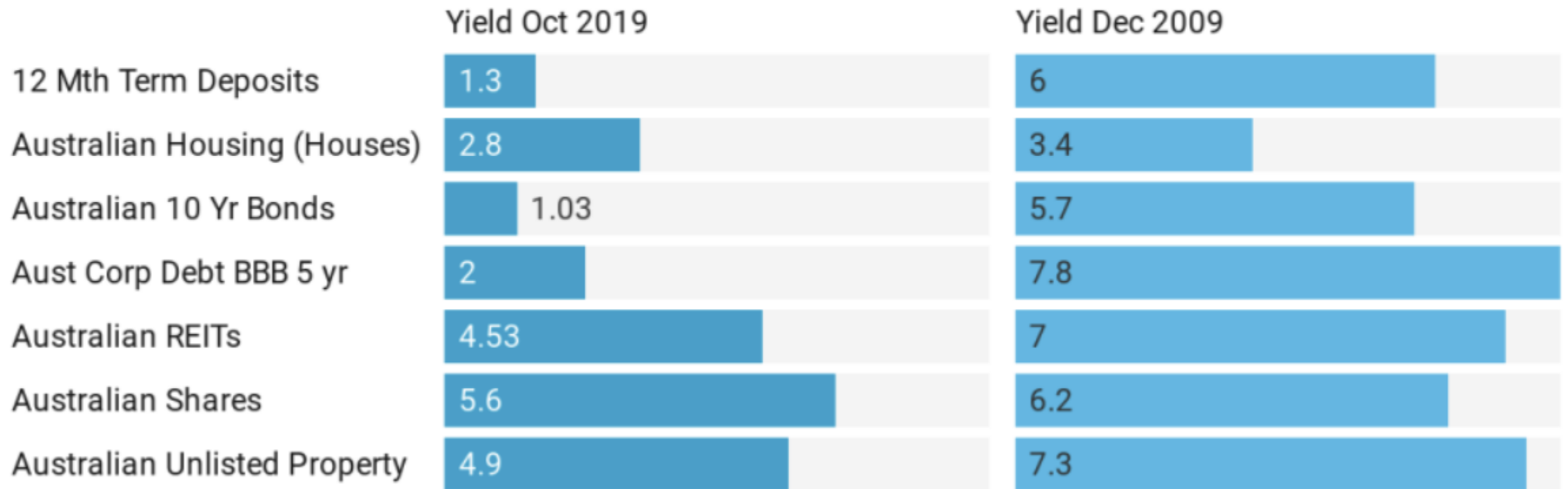
COUNTRY	AUM (\$US BN)
United States	\$24,711
Japan	\$3,081
United Kingdom	\$2,856
Australia	\$1,866
Canada	\$1,630
Netherlands	\$1,517
Switzerland	\$893

PENSION SYSTEM GROWTH

COUNTRY	AUM (\$US BN)
Australia	10.2%
United States	7.7%
United Kingdom	7.1%
Canada	6.8%
Netherlands	5.9%
Switzerland	5.8%
Japan	-0.7%

Investment yields

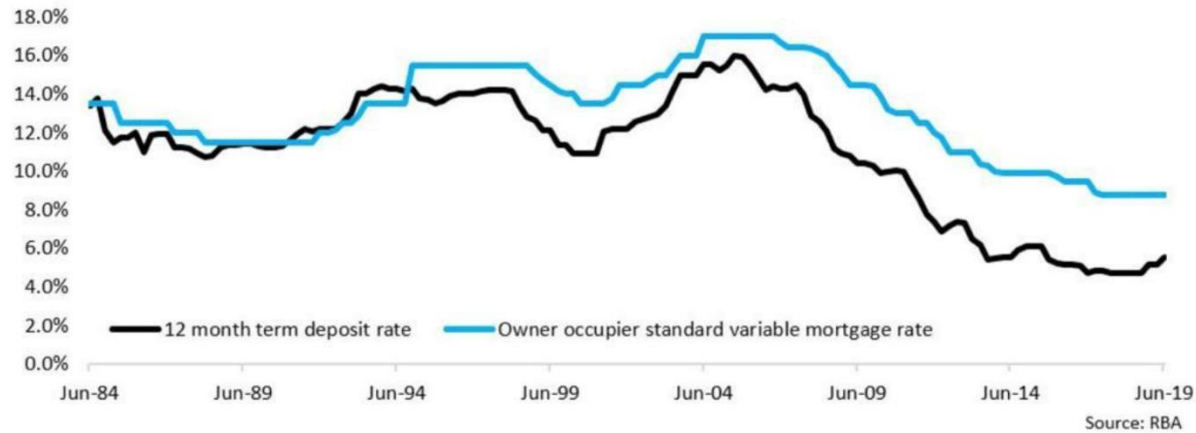
Yields (%) per annum



Source: ABC

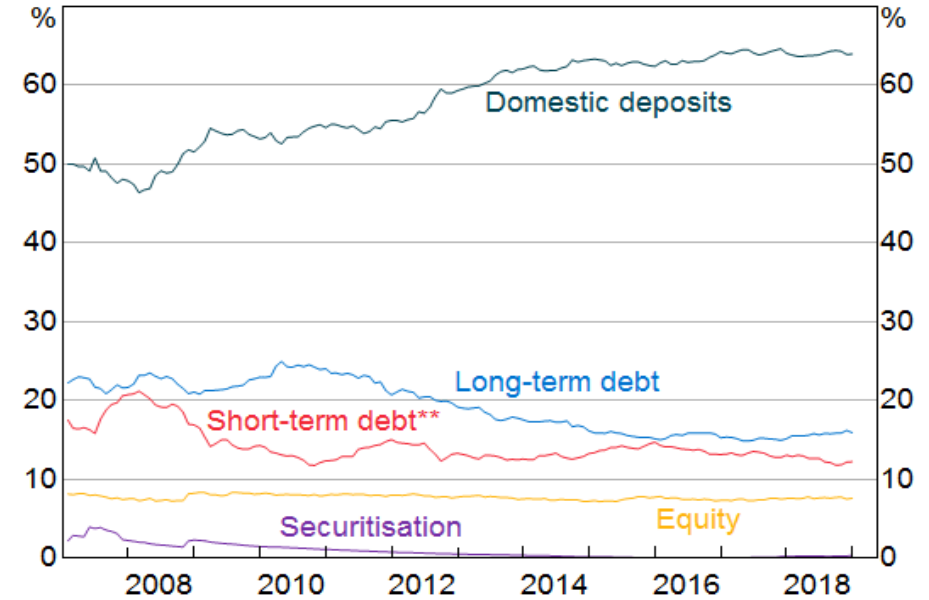
The term deposit paradox

Term deposit rates vs mortgage rates over time



Major Banks' Funding Composition*

Share of total funding; debt is on an original maturity basis



* Adjusted for movements in foreign exchange rates

** Includes deposits and intragroup funding from non-residents

Sources: APRA; Bloomberg; RBA; Refinitiv

Source: RBA, La Trobe Financial

- Extended cycle of low interest rates
- The need for income is increasing locally and globally
- Demand to continue for investors searching for income products
- Investors require advice to source income solutions and deliver efficient portfolios

Disclaimer: The Material that precedes this presentation is of general background information about La Trobe Financial's activities current at the date of this presentation. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate. Copyright 2019 La Trobe Financial Services Pty Ltd ACN 006 479 527. All rights reserved. No portion of this may be reproduced, copied, or in any way reused without written permission from La Trobe Financial.