

## **ASX ANNOUNCEMENT MFI**

22 February 2008

### **MARINER FINANCIAL HALF YEAR RESULT**

- **First half profit of \$2.2m (normalised) vs \$2.1m for previous corresponding 6 months (excluding mark to market of KBC)**
- **Mariner has NTA of \$115m (47 cents per share) plus the value of \$1.3 billion asset management business**
- **Liquid assets exceed \$100m (cash and stock market listed assets)**
- **Recurring income up 109%**
- **Recurring costs down 7%**
- **Corporate debt facility of \$40m drawn to \$25m with maturity December 2009**
- **All Mariner managed trusts are fully funded and non-recourse to Mariner**
- **No cross-collateralisation between trust borrowings**

Mariner Financial Limited (ASX:MFI) announces a first half profit of \$2.2 million (up from \$2.1 million in Dec half 2006) normalised to exclude the mark-to-market effect of the shareholding in Keybridge Capital Limited (ASX:KBC). Including the unrealised mark-to-market effect of KBC the net loss after tax is (\$13.9) million. NTA per share is 47 cents as at 31 December 2007<sup>1</sup>.

Mariner has NTA of \$115m (47 cents per share) which excludes any business value attributable to the management fees generated by Mariner's \$1.3 billion in assets under management. Liquid assets exceed \$100 million (cash and listed securities).

Mariner's corporate debt facility of \$40m is drawn to \$25m with maturity December 2009. All Mariner managed trusts are non-recourse to Mariner.

'Although achieving a modest increase in our normalised operating profit for the half year, we are confident that the transactions currently being constructed will generate profit and value added outcomes over the next six months,' says Bill Ireland, Executive Chairman of Mariner.

During the half Mariner's recurring income increased by 109% over the previous corresponding period, whilst recurring expenses decreased by 7%.

Mariner shares are currently trading at a substantial discount to NTA. Directors are exploring appropriate capital management strategies to address this difference.

#### **Outlook**

Mariner's overall corporate objective is to grow assets under management to increase recurring management fees. This should be achieved through Mariner's Executive Partners securing investment opportunities in a diversification of asset classes.

Market opportunities now enable assets to be secured for acquisition by way of options or deferred purchase arrangements conditional on capital raising. This eliminates the need for capital prior to establishing investment vehicles, and eliminates the risk of unsuccessful or untimely investment offerings.

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<sup>1</sup> (44 cents per share at 21 February 2008 following Jan/Feb market volatility)

While current volatility and uncertainty continues Mariner will focus on sourcing assets through third-party and joint venture equity. Mariner will focus on its current infrastructure projects for institutional and high net-worth investors which will deliver stable long-term income, and property syndicates for institutional and retail investors.

Mariner is structured to capitalise on improving market conditions, and flexible enough to respond if market conditions do not improve.

### **More Information**

An Investor Presentation has been lodged with the ASX with more information for investors.

### **Investor Briefings**

Sydney: Friday 22 February 2008, 11.30am at Mariner's offices, Level 40 Chifley Tower, 2 Chifley, Square.

Melbourne: Monday 25 February 2008, 5.00pm at Mariner's offices, Level 20, 101 Collins Street.

### **Contacts**

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### **About Mariner**

Mariner Financial Limited (ASX: MFI) was founded in 2003 to pioneer new investment opportunities for the Australian market. Mariner now manages over \$1.3 billion in assets. Mariner's business model focuses on originating, structuring and distributing investment products in markets and sectors that demonstrate significant opportunity. To achieve this Mariner has developed: a global footprint through which it sources assets; a structuring division with funds management and investment banking expertise to add value to these assets and transform them into investment products for the local market; and a significant distribution reach through advisory intermediaries, and direct distribution. Mariner operates from offices in Australia, the United States and Europe with a joint venture in Asia. Mariner Financial is based in Sydney with international headquarters in London and Boston. [www.marinerfunds.com.au](http://www.marinerfunds.com.au)