

Friday, 12 October 2007

MARKET ANNOUNCEMENT

Net Tangible Asset Backing - 30 September 2007

| Month Ending: | %Change | Current Month 30 September 2007 | Previous Month 31 August 2007 |
|-----------------------------------------------|---------|------------------------------------|----------------------------------|
| Pre-Tax NTA Backing per share ⁽¹⁾ | 8.05% | \$1.4182 | \$1.3040 |
| Post-Tax NTA Backing per share ⁽²⁾ | 6.36% | \$1.2766 | \$1.1955 |
| Based on total issued share capital | | 19,675,878 | 19,399,671 |

On 21 September 2007, the Company paid a 2.6 cents per share fully franked final dividend totalling \$511,572.83. The previous month's NTA backing above is net of a provision for this final dividend payment. 276,043 shares were also issued as a result of participation under the Company's Dividend Reinvestment Plan, at an issue price of \$0.988 per share.

The NTA position (post-tax) comprises the following items:

| Net Assets | Current Month \$'millions | Previous Month \$'millions |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------|
| Investment in the FSP Equities Leaders' Fund (FSP Fund) managed by the Company's investment manager, FSP Equities Management Limited (FSP) ⁽¹⁾ | 22.43 | 21.49 |
| Shares in Drillsearch Energy Limited (DLS) ⁽³⁾ | 5.13 | 3.97 |
| Provision for income tax ⁽²⁾ | (2.79) | (2.10) |
| Provision for dividends ⁽⁵⁾ | | (0.50) |
| Net cash on deposit / other assets | 0.34 | 0.34 |
| Total Net Assets | 25.12 | 23.19 |

About The FSP Equities Leaders' Fund (FSP Fund) ⁽⁴⁾

The 12 month net performance of the FSP Fund to 30 September 2007 was 42.6%. The benchmark performance (S&P/ASX 200 Accumulation Index) was 32.4%.

The FSP Fund is a wholesale fund not open to retail investors. The investment management team is led by Mr Ronni Chalmers. The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium term. There is no minimum equity weighting with the equity weighting as at 30 June 2007 being 95%.

75% of the equity portfolio is targeted to companies contained within the S&P/ASX 200 index. The remaining 25% of the portfolio is invested in companies outside of the S&P/ASX 200 index. The equity portfolio contains approximately 125 holdings as at 30 June 2007. The Investment Manager is "style neutral" and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

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FSP Equities Leaders Fund

| Returns To: | 1mth | 3mths | 6mths | 1yr | 2yrs | 3yrs | Since Inception |
|----------------------------------|-------|-------|--------|--------|----------|----------|-----------------|
| 30/09/2007 | (%) | (%) | (%) | (%) | (% p.a.) | (% p.a.) | (% p.a.) |
| FSP Fund | 8.68% | 4.99% | 15.29% | 42.64% | 30.44% | 30.22% | 24.29% |
| ASX / S&P 200 Accumulation Index | 5.57% | 5.89% | 11.65% | 32.40% | 23.92% | 26.62% | 17.83% |

FSP Equities Leaders Fund as at 30 September 2007

| Top 20 Holdings | | |
|-----------------|-------------------------------------|-------------|
| ASX Code | Asset Name | Fund Weight |
| BHP | BHP BILLITON LIMITED | 17.3% |
| WBC | WESTPAC BANKING CORPORATION | 7.1% |
| NAB | NATIONAL AUSTRALIA BANK LIMITED | 4.5% |
| WPL | WOODSIDE PETROLEUM LIMITED | 3.8% |
| BNB | BABCOCK & BROWN LIMITED | 3.3% |
| HVN | HARVEY NORMAN HOLDINGS LIMITED | 2.8% |
| RIO | RIO TINTO LIMITED | 2.4% |
| TSE | TRANSFIELD SERVICES LTD | 2.4% |
| CGJ | COLES GROUP LIMITED | 2.1% |
| BBI | BABCOCK & BROWN INFRASTRUCTURE GROU | 1.9% |
| SUN | SUNCORP-METWAY LIMITED | 1.9% |
| BXB | BRAMBLES LIMITED | 1.5% |
| SRK | STRIKE RESOURCES LIMITED | 1.4% |
| MTS | METCASH LIMITED | 1.3% |
| LGL | LIHIR GOLD LIMITED | 1.2% |
| PBL | PUBLISHING AND BROADCASTING LTD | 1.2% |
| GDY | GEODYNAMICS LIMITED | 1.2% |
| SAR | SARACEN MINERAL HOLDINGS LIMITED | 1.2% |
| BOQ | BANK OF QUEENSLAND LIMITED | 1.1% |
| AXA | AXA ASIA PACIFIC HOLDINGS LIMITED | 1.1% |

| Sector weights of equity holdings | |
|-----------------------------------|--------|
| Materials | 35.94% |
| Financials | 21.84% |
| Industrials | 11.41% |
| Consumer Discretionary | 9.09% |
| Energy | 6.75% |
| Utilities | 3.41% |
| Consumer Staples | 3.35% |
| Health Care | 2.89% |
| Information Technology | 2.48% |
| Telecommunication Services | 0.85% |
| Property Trusts | 0.00% |

Notes:

1. NTA backing is calculated for SCB and its controlled entities (SCB Group).

The SCB Group's investments are financial assets which are measured at fair value at month end. The fair value of listed securities are measured at bid price (where available) and last sale price (where bid price is not available) at month end and excludes disposal costs. The fair value of the Company's investment in the FSP Fund is valued at the unit price at month end published by FSP - such unit price reflects the net tangible asset backing of the fund and no buy/sell spread or exit fees are charged to the Company.

2. The post-tax NTA backing per share is reported net of provision for tax liabilities on the SCB Group's net profit (including after any realised and unrealised gains on investments) after consolidation.
3. 23,344,267 DLS shares at 19.5 cents each as at 30 September 2007 (31 August: 23,344,267 shares at 17 cents each).
4. Based on information provided by the Investment Manager, FSP Equities Management Limited.
5. 2.6 cents per share final fully franked dividend payable on 28 September 2007.

For further information:

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