



Mattioli Woods

Pension Consultants
Retirement Wealth Management
Trustees and Administrators

Final results for the
year ended 31 May 2008

Important information

These presentation slides contain forward-looking statements and forecasts with respect to the financial condition and the results of Mattioli Woods plc.

These statements are forecasts involving risk and uncertainty because they relate to events and depend upon circumstances that may occur in the future.

There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. Nothing in this presentation should be construed as a profit forecast.

Nothing in this presentation should be seen as a promotion or solicitation to buy shares in Mattioli Woods plc. It should be remembered that the value of shares can fall as well as rise and therefore you could get back less than you invested.

Group overview

Full service pension consultancy

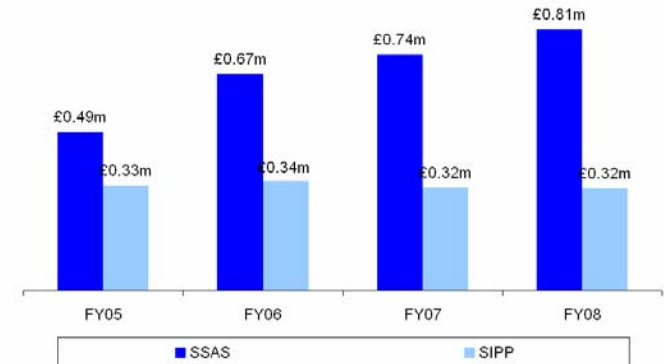
- Strategic and technical retirement planning advice
- Retirement wealth management:
 - In-house investment research
 - Integrated pension and personal investment planning
 - Innovative and bespoke investment products
- Proactive and personalised administration
- Group pension scheme consultancy
- 17 year history of profitability and growth
- Cash generative and dividend paying

Business model

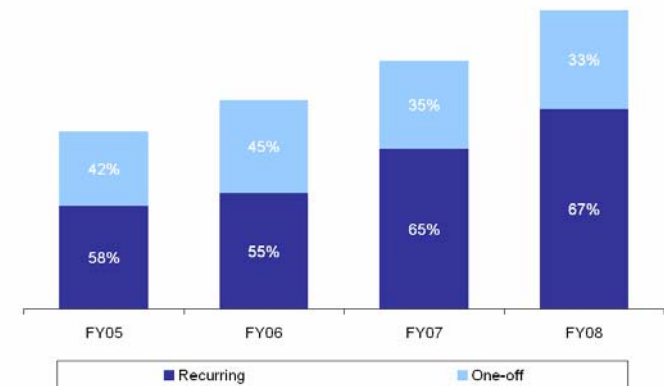
Focus at top-end of market

- Fee-based revenue model
- High level of repeat and recurring income
- Impartial consultancy and investment advice
- Strong retention of clients and staff
- Capacity through graduate recruitment
- New business generated from:
 - Professional referrals
 - Seminar programme
 - Direct marketing

Average core scheme value



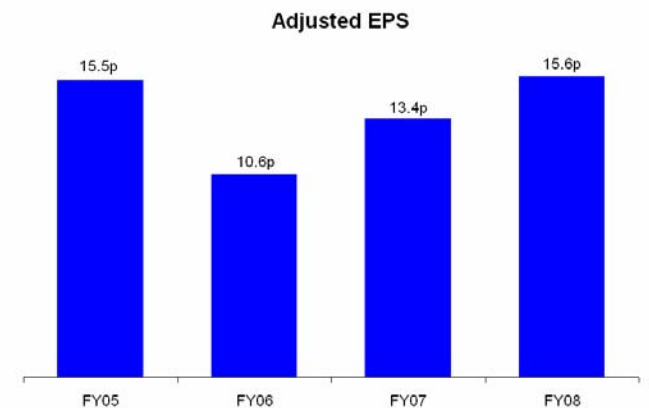
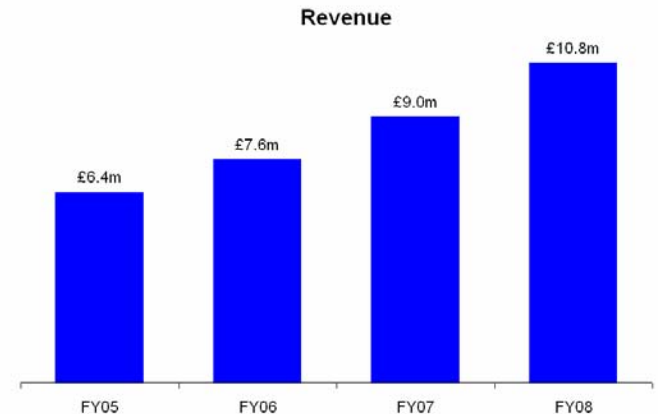
Recurring revenue



Financial highlights

Strong performance continues

- Revenue up 20.3% to £10.83m (2007: £9.00m)
- PBTA¹ up 14.4% to £3.73m (2007: £3.26m)
- Adjusted EPS² up 16.4% to 15.6p (2007: 13.4p)
- Final dividend up 17.6% to 2.00p (2007: 1.70p)
- Core FUT³ of £1.35bn (2007: £0.82bn)
- Cash at period end of £2.54m (2007: £2.80m)



¹ Profit before tax and amortisation.

² Before amortisation of intangible assets. Basic EPS up 11.7% to 14.3p (2007: 12.8p).

³ SSAS and SIPP funds under trusteeship (excluding third party schemes).

Operational highlights

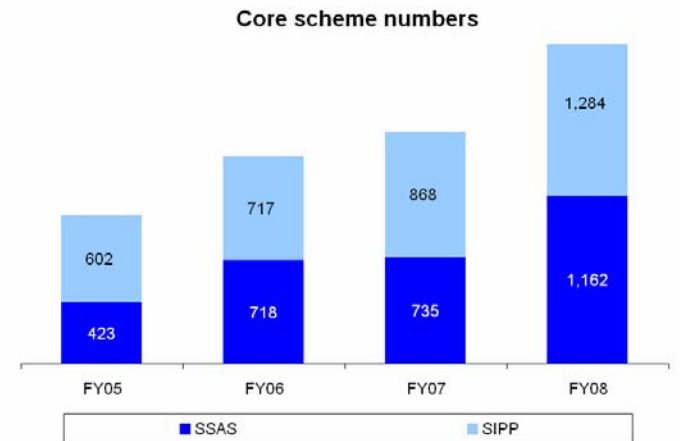
Core scheme numbers up 52.6%

- Organic growth of 18.3% in SIPPs (2007: 21.1%)
- Core SSAS and SIPP schemes total 2,446 (2007: 1,603):
 - 358 acquired with PCL in July 2007
 - 290 acquired with JB Group in February 2008
- Average core scheme value of £0.55m (2007: £0.51m)
- Michael Kershaw appointed as Non-Executive Director
- Mark Smith appointed as Operations Director
- Introduction of Share Incentive Plan in June 2008
- Self-investment of protected-rights from October 2008

Strong SIPP growth potential

Focus at top-end of market

- SIPP market has grown to £50bn¹ in 2008
- 500,000 SIPPs with over £100bn² assets by 2011
- Estimated potential market of 3m to 7m clients³
- Disillusionment with insured schemes
- Demise of defined benefit schemes
- Control and cost-effectiveness
- Protected rights estimated to be £75 - £100bn³



¹ Source: Money Management Survey April 2008. Not all providers disclosed.

² Source: Pensions Management Survey April 2008 supplement.

³ Source: Standard Life plc

Current trading

In line with expectations

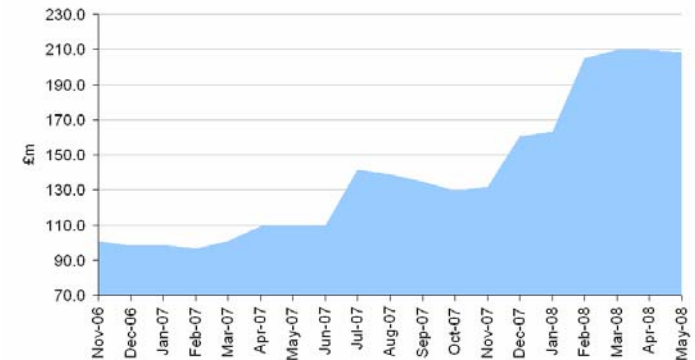
- 52 new core schemes in first two months
- Average new scheme size exceeds £0.4m
- £6.5m of new property syndicates
- Structured products:
 - Australian bond launched in July
 - Four new products to complete by November
- Strong institutional cash fund offer
- Four new graduate recruits

Growth in current economic cycle

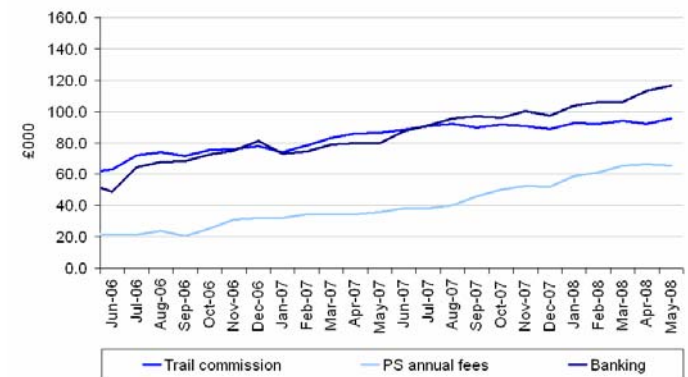
Flexible asset allocation

- Funds remain in pension scheme
- Dynamic asset reallocation:
 - Repositioning of existing equity investments
 - Increased client cash balances
 - Demand for commercial property
 - Demand for structured products
- Growth in recurring revenue streams
- Client focus on quality advice

Cash held in Mattioli Woods' accounts



6-month MA for recurring investment planning revenue



Growth potential

Increase existing client revenues

- Client cash balances of over £200m
- Investment revenues 0.5% of average core FUT
- Growing recurring revenue streams
- Growing revenues from acquired portfolios
- Demand driving development of innovative new products:
 - Structured products
 - Corporate bond fund
 - Property syndicates
- Self-investment of protected rights for first time
- Consultancy team increased to 20 (2007:14)

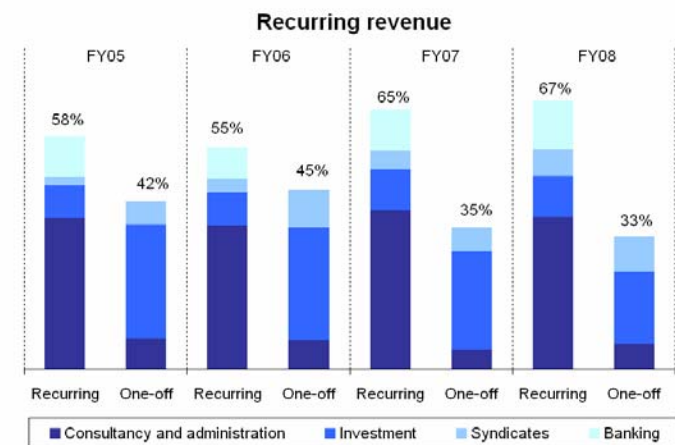
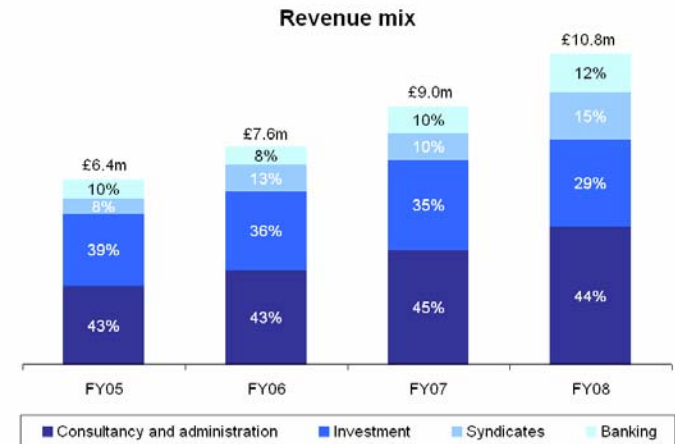
Allocation of core FUT



Revenue analysis

Remain primarily fee-based

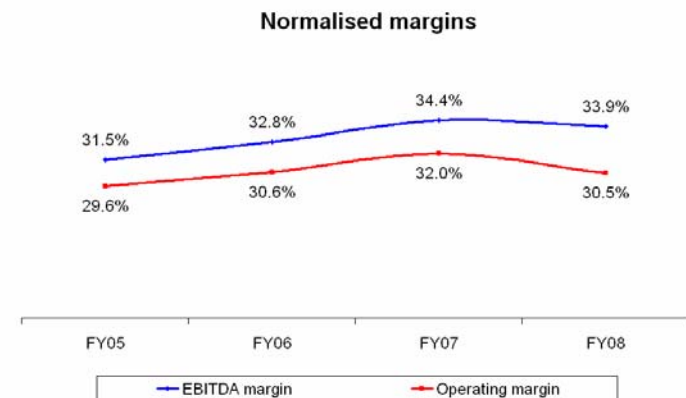
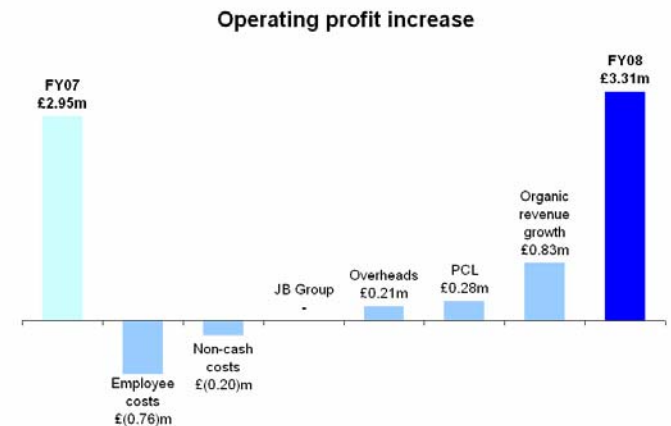
- Consistent contribution from fee-based services
- Shift to property investment and cash:
 - £23.0m (2007: £19.1m) of new syndicates
 - Reduction in initial commissions
 - Increase in client cash balances
- Increase in revenue from structured products
- £1.0m of revenue from acquisitions
- Strong recurring revenue streams:
 - Pension consultancy and administration fees
 - Property syndicate administration
 - Bank and trail commission



Financial result

Investing for growth

- Operating profit up £0.36m to £3.31m
- Average headcount of 124 (2007: 92):
 - Average employee cost down 1.8% (2007: up 2.9%)
- Operating margin impacted by:
 - Integration of acquisitions
 - Share-based payments
 - Amortisation on acquired portfolios
- EBITDA margin maintained through:
 - Increasing revenues on acquired schemes
 - Focus on cost control



Cash flow

Final dividend up 17.6%

	2008 £000	2007 £000
Cash generated from operations	3,077	3,716
Interest paid	(15)	(1)
Income taxes paid	(1,057)	(874)
Net cash generated from operations	2,005	2,841
Interest received	219	195
Capital expenditure	(513)	(228)
Acquisitions	(2,840)	2
Loans to property syndicates	1,425	(38)
Net cash from investing activities	(1,709)	(69)
Net proceeds from issue of share capital	-	225
Movement in borrowings	(20)	21
Dividends paid	(465)	(385)
Net cash from financing activities	(485)	(139)
(Decrease)/increase in cash	(189)	2,633

- Cash conversion 83.8% of EBITDA (2007: 117.4%)
- Decrease in cash from operations:
 - Impact of acquisitions
 - £1.3m increase in trade debtors
 - £0.2m increase in other debtors
 - £0.2m increase in tax paid
- PCL and JB Group acquisitions
- Reduced syndicate loan balances
- Period end cash of £2.54m (2007: £2.80m)
- Increased bank facilities to £5.25m
- Dividend covered 4.8x by earnings

Acquisitions

Earnings and value enhancing

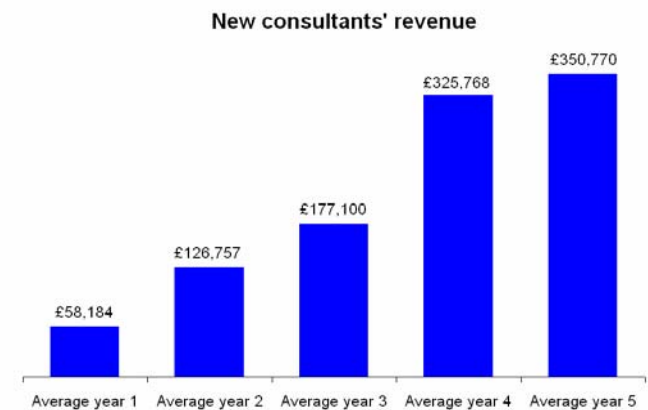
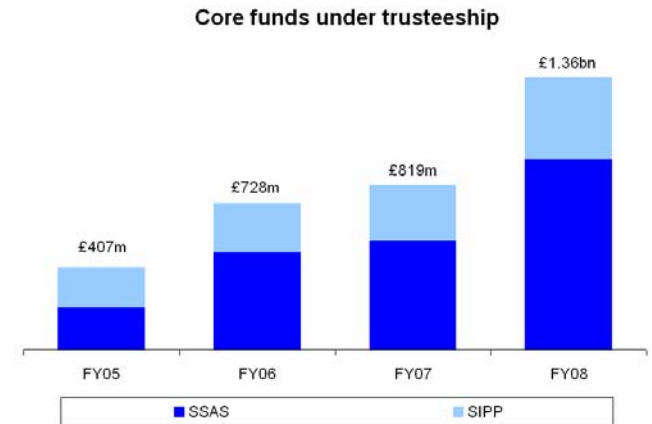
- All acquisitions fully integrated
- Strong client retention
- Active introducer bases
- Developing capacity and knowledge
- Opportunity to grow core revenues
- Fragmented market:
 - Bolt-on opportunities
 - Business acquisition opportunities

Portfolio	Geoffrey Bernstein	Suffolk Life	PCL	JB Group
Plan type	SSAS	SSAS	SSAS & SIPP	SSAS & SIPP
Date of acquisition	Jun 05	Jan 06	Jul 07	Feb 08
Schemes acquired	93	170	348	290
Schemes at 31 May 08	77	154	348	290
Retention	83%	91%	100%	100%
Estimated total cost	£0.45m	£0.71m	£2.00m	£2.20m
Core* revenue per scheme at acquisition	£1,505	£2,078	£2,006	£2,728
Core revenue per scheme in FY08	£1,721	£2,325	£2,086	£2,913
Total core revenue to 31 May 08	£0.49m	£1.00m	£0.65m	£0.22m

*excludes banking, property syndicates and other ancillary revenue

SIPP is now pension vehicle of choice

- Focus at “top-end” of SSAS and SIPP markets
- Expand capacity and enhance operational efficiency:
 - Graduate recruitment
 - Training
- Capture clients’ protected rights monies
- Extend advice to clients’ other retirement assets
- Extend distribution channels
- Reinforce group pensions marketing initiative



Objectives

Platform for further growth

- Double-digit organic growth
- Support organic growth with acquisitions
- Double FUT within the next five years
- Maintain profit margin
- Strong client and staff retention
- Continue trading in line with expectations
- Deliver strong shareholder returns

Appendices

Executive directors

Bob Woods

Executive Chairman

- Co-founder in 1991
- 30 years' experience in pensions industry
- Developed UK's second SIPP

Ian Mattioli

Chief Executive

- Co-founder in 1991
- 25 years' experience in pensions industry
- Previously with Pointon York and Phoenix Assurance

Nathan Imlach

Finance Director

- Joined in 2005
- Previously with Johnston Carmichael Corporate Finance and Ernst & Young
- 15 years' corporate finance experience

Murray Smith

Sales and Marketing Director


- Joined in 1995
- Pension transfer specialist with over 15 years' experience in financial services
- Manages consultancy team

Mark Smith

Operations Director

- Joined in 2000
- Compliance and Money Laundering Officer
- Over 20 years' financial services experience

Track record of profitable growth



2008	JB Group acquisition and £10m+ turnover
2007	Funds Under Trusteeship of £1bn+
2007	Introduction of SIPP regulation and PCL acquisition
2006	Suffolk Life SSAS portfolio acquired and “A-Day”
2005	First acquisition, move to Leicester and admission to AIM
2003	Mattioli Woods Pension Consultants Limited incorporated
2001	FSA regulation of investment firms
1998	First graduate recruit qualifies as a consultant
1997	£1m+ turnover
1995	Developed first SIPP
1992	Initiated graduate recruitment model
1991	Established as a Partnership

Mattioli Woods' services

TROUBLESHOOTING

Non-recurring income
Problem solving
Court settlements
Divorce
Professional opinions

PROPERTY CONSULTANCY

Recurring / Non-recurring income
Commercial and residential
Property projects
Business property requirements

COMPANY INVESTMENTS

Recurring / Non-recurring income
Deposits
Unit trusts
Offshore

PERSONAL INVESTMENTS

Recurring / Non-recurring income
PEP/ISA
Property syndicates
Bonds
IHT Trusts
Life assurance
FURBS
Private Equity / VCT
Structured products

SSAS/SIPP

CORE BUSINESS

Recurring income
Annual scheme fees
Compliance
Revenue returns
Banking
Investment fees and commissions/renewals
Actuarial and legal
Property syndicate management fees
PAYE
Documentation updates

Non-recurring income
Initial scheme establishment
Retained benefit reviews
Consultancy
Investment fees and commissions
Retirement planning
Lump sum planning
Structured products

AVERAGE ANNUAL REVENUE PER CLIENT

Core business income	£3,000+
Ancillary business income	£2,000+
Total income per client	£5,000+

GROUP PENSION

Recurring income
Fees for planning
Fees for administration
Fees for investment documentation
Non-recurring income
Personal advice leading to:
- **SSAS/SIPP, personal planning**
- **Business advice on acquisitions**

KEY EXECUTIVES

PENSION AND INVESTMENTS

Recurring / Non-recurring income
EPPs
Personal pensions
SIPPs
SSAS
Bonds
PEP/ISA
Life assurance
IHT

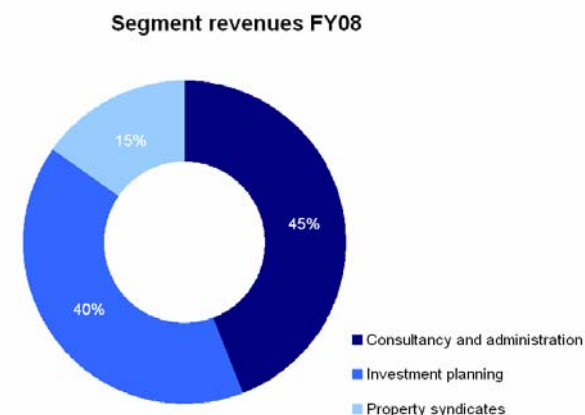
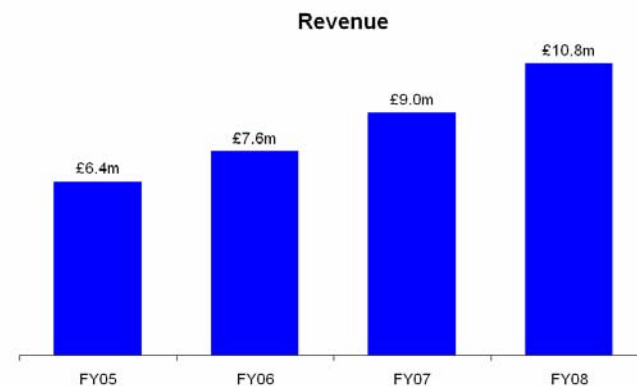
CORPORATE PLANNING

Recurring income
Business consultancy
Advice provided in respect of:
- **Sale and business succession**
Non-recurring income
One-off business project/s
Corporate finance
Insolvency advice

Income statement

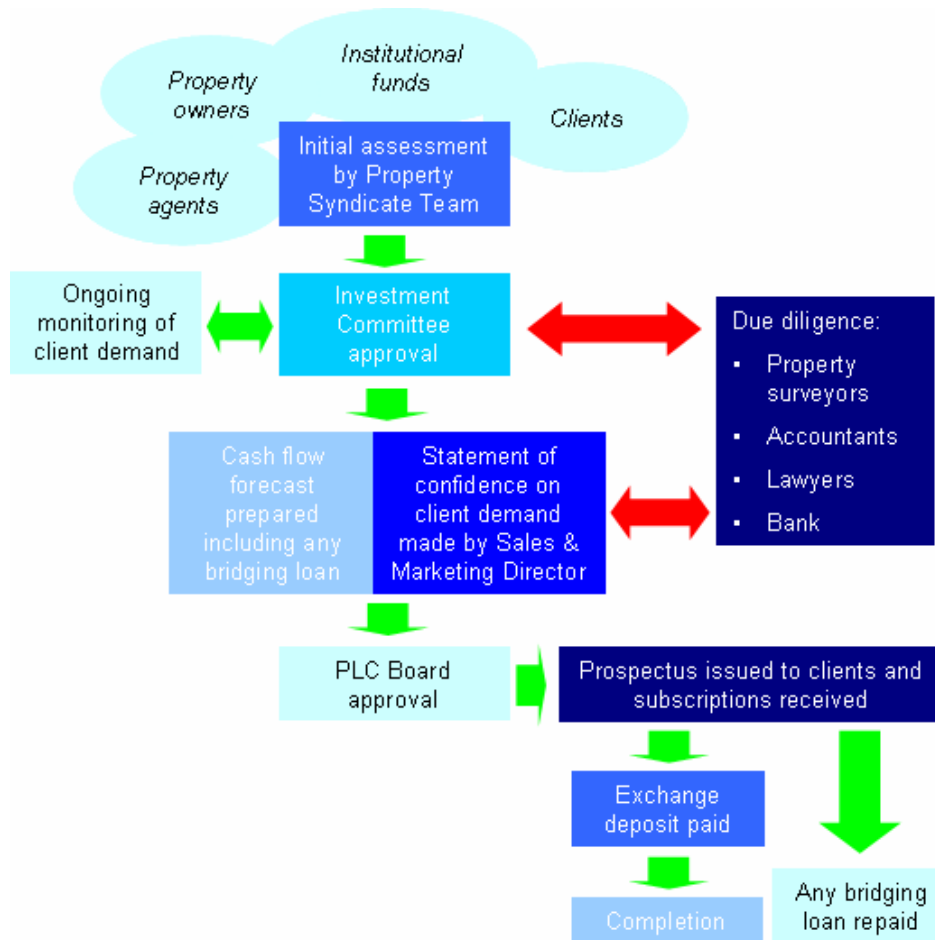
Revenue up 20.3% to £10.83m

	2008 £000	2007 £000	2006 £000
Revenue	10,828	8,997	7,573
Employee benefits expense	(5,499)	(4,156)	(3,248)
Other administrative expenses	(1,538)	(1,606)	(1,973)
Share based payments	(105)	(63)	(23)
Depreciation	(143)	(104)	(94)
Amortisation	(224)	(110)	(76)
Profit/(loss) on disposal	(14)	(7)	-
Operating profit before financing	3,305	2,951	2,159
Net financing income/(costs)	204	194	10
Profit before tax	3,509	3,145	2,169
Income tax expense	(1,044)	(952)	(675)
Profit for the period	2,465	2,193	1,494
EBITDA	3,672	3,165	2,329
Earnings per ordinary share:			
Basic and diluted	14.3p	12.8p	10.0p
Dividend per share	3.00p	2.55p	1.40p



Property syndicates

Creating a secure income stream for clients



- Long term, low volatility income stream
- Capital value creation
- Direct ownership and control by clients
- Client investment needs assessed quarterly
- Deposits funded by:
 - Short term loan from company
 - Short term loan from clients
 - Short term loan from third party underwriters
- Prime UK commercial properties
- Aggregate portfolio value exceeds £90m
- 38 properties being administered
- Strong recurring revenue stream

Regulation

FSA Review of Retail Distribution

- Most fundamental review since 1986
- ‘Customer agreed remuneration’
- Increased regulatory and professional requirements:
 - Restricted use of the term ‘independent’
- ‘Primary Advice’ - new regulated service:
 - Less detailed analysis of consumer’s needs
 - Point consumer towards a limited range of products
- Feedback statement to be issued in November 2008
- Implementation expected 2009/10
- May lead to further consolidation
- Mattioli Woods well placed due to fee-based model

*“although Primary Advice might not always lead to the **most** suitable product recommendation, it should lead to a consumer purchasing a product that would provide more benefit than if they had made no purchase at all”*

Source: Financial Services Authority
DP0711: Retail Distribution Review (June 2007)