

Barramundi Limited  
Annual Shareholders Meeting  
13 October 2008



# Chairman's comments – *it's “hard yakka”*

## Summary

- Reminder of Investment Philosophy
- Results to 30 June updated to 30 September 2008
- Share Price Performance compared with Net Asset Value
- Capital Management Alternatives
- Portfolio Performance
- Manager's Performance Hurdle

# Investment Philosophy \*

- Invest only in Australian companies outside the ASX/100
- Buy and hold shares for the long term
- Sell only on the basis of a fundamental change in the original investment case

\* Prospectus – September 2006

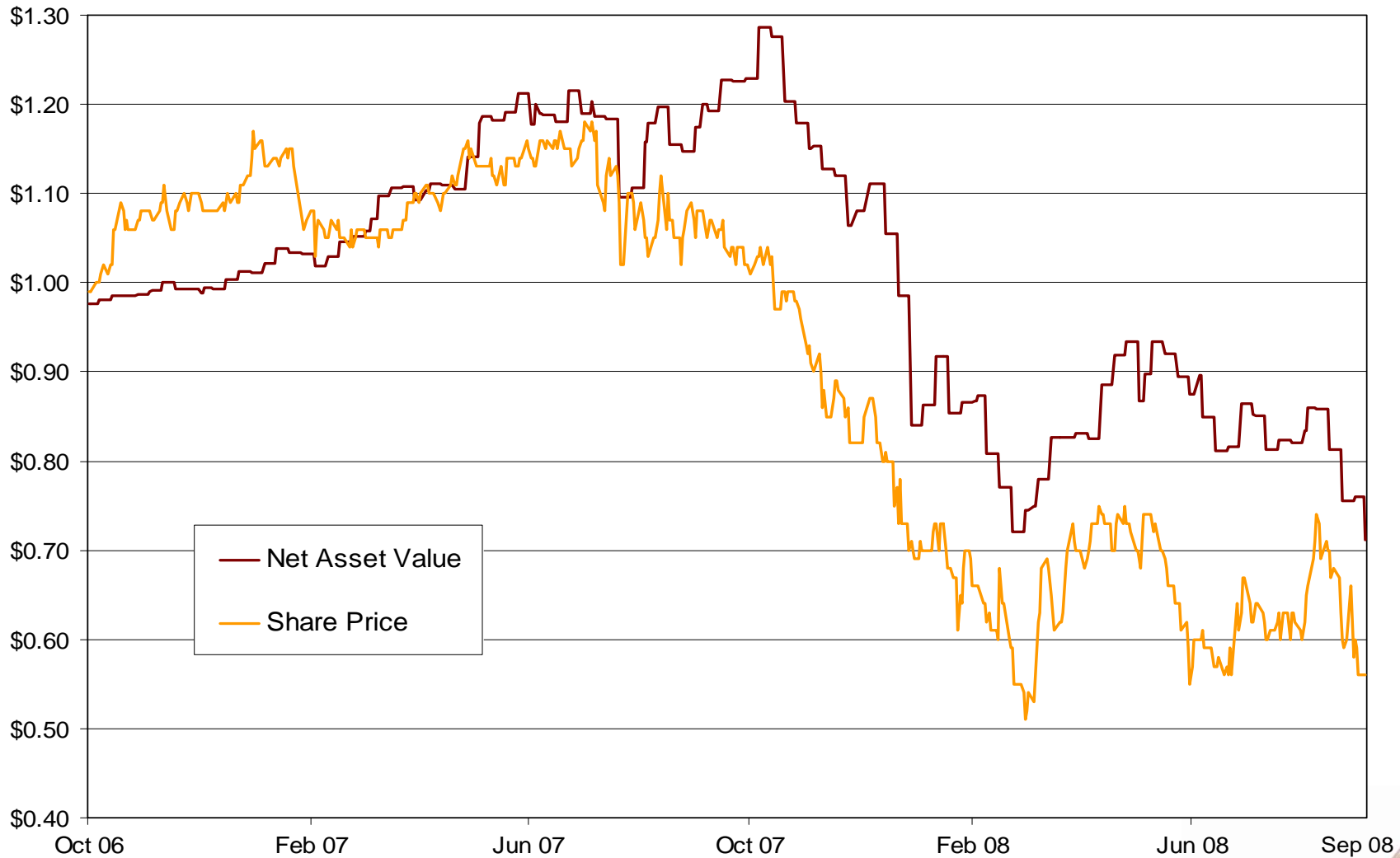
# Results to 30 June 2008

	2008	2007	Change
Net Asset Value per share	\$0.90	\$1.20	(25%)
Change in Portfolio Value for year	(\$29.5m)	\$21.3m	N/A
Share Price	\$0.60	\$1.13	(47%)
Warrant Price	\$0.06	\$0.32	(81%)

# Update since 30 June 2008

	30 Sep 2008	Change
Net Asset Value per share	\$0.71	(21%)
Share Price	\$0.56	(6.7%)
Dividend paid 20 June 2008	2 cps	
Dividend Reinvestment Plan participation	35%	

# Share Price & Net Asset Value Performance



# Capital Management Alternatives

- Buy Back Shares 
  - Increases NAV per Share
  - May hold up Share Price
- Buy Back Warrants 
  - Not at current share prices
- Extend Warrant Exercise Period 
  - Not fair to all shareholders
- Introduce Dividend Reinvestment Plan 
- Cash up and Return Capital 
  - Not rational

# Performance of Portfolio

Indices (NZD)	3 months to 30 Sep	12 months to 30 Sep	Since Inception (not p.a.)
ASX 300	(16%)	(26%)	(6%)
ASX Small Industrials	(10%)	(37%)	(18%)
BRM Net Asset Value Return	(18%)	(39%)	(25%)

# Manager's Performance Hurdle

- Base Management Fee
  - The base management fee for 2008 was reduced from the base 1.25% pa to the minimum of 0.75% pa
- Performance Fee
  - Paid at 15% of return above benchmark (being the change in the NZX Bank Bill Index plus 7%)
  - Last paid in 2007 when Net Asset Value was \$1.20 per share
  - Will not be paid again until Net Asset Value is above this “high-water mark”



# Manager's Review

Frank Jasper

October 2008

# What sort of shares should you own right now?

- Companies that can weather the storm
  - Low debt
  - Supply of goods & services that customers need
- Companies that through superior products and services can maintain or grow earnings
- Companies whose share price is undervalued by the market

# Companies that can weather the storm

– debt levels are low

Debt Level	Companies	Weight (adj for cash)
No debt	Arrow Energy Austbrokers Centrebet McMillian Shakespeare Pharmaxis Reckon Treasury Group Solutions	55%
Low debt	Pipe Networks Aevum MacArthur Cook WHK Group Oakton Bravura Tox Free Solutions	40%
High debt	Vision Group Credit Corp	5 %

# Barramundi companies that provide goods & services

Company	Product	Moat	Comment
Arrow Energy	Natural gas required for industrial use and electricity generation	Long term contracts with customers	
Aevum	Long term residency retirement villages	Village locations close to Sydney are ideal for residents wanting to stay close to families	Usage is needs based – residents move in largely as they are unwell and need support rather than as a “discretionary” style
Pipe Networks	Fibre optic networks that are the backbone of their customers internet offering	Only company offering a diverse dark fibre product. Competitors offer managed service product	For the customers, no pipe equals no business
Bravura Solutions	Mission critical admin systems for financial services companies	Very difficult for current customers to unwind their records from Bravura systems	High level of customer lock in and although financial services companies may struggle, they need to maintain unit registry systems.

# Despite a cautious outlook – we expect some growth

Ticker	Company	EPS Growth		
		FY1	FY2	FY3
AVE	AEVUM LTD	8%	12%	7%
AOE	ARROW ENERGY LTD	80%	44%	15%
AUB	AUSTBROKERS	10%	15%	10%
BVA	BRAVURA SOLUTION	49%	53%	31%
CIL	CENTREBET	7%	19%	5%
CCP	CREDIT CORP GRP	6%	-5%	-39%
MMS	MCMILLAN SHAKESP	16%	21%	11%
OKN	OAKTON LIMITED	16%	11%	15%
PXS	PHARMAXIS LTD	na	na	na
PWK	PIPE NETWORKS LT	44%	48%	35%
RKN	RECKON LIMITED	29%	11%	10%
TOX	TOX FREE	78%	31%	19%
TRG	TREASURY GRP LTD	-5%	8%	5%
VGH	VISION GROUP HLD	9%	8%	7%
WHG	WHK GROUP	8%	8%	14%
AVERAGE (ex AOE, PXS)		19%	18%	10%

# Is the price right?

- Arrow Energy – 42% below buy in price implied by Shell
- Aevum – 30% below Net Tangible Asset Value
- Pipe Networks – 33% below value of Aussie business plus cost of new international network
- Portfolio Average PE ratio 9.9x – 30% lower than the long run average

# Looking ahead...

- The global environment is very uncertain and will have an effect on the overall economy
- Your portfolio is well positioned for this by having companies that are:
  - Conservatively managed with little debt
  - Providing essential goods and services
- Despite the tough environment we are hopeful of some earnings growth



# Anticipating some of your concerns

Carmel Fisher

- Is Barramundi going to go under?
- Are any of the Barramundi companies likely to go under?
- Will the Barramundi NAV get back to what I paid for it?
- Will I have a better chance to recover my money with a different investment?
- Is Fisher Funds the right manager?
- When will this all end?

# Chairman's Conclusion

- The investment climate is unprecedented
- Our Manager believes the portfolio of investments is fundamentally sound
- Barramundi remains a long term investor.  
We now wait for better times