



MEDIA RELEASE

Virgin Superannuation clears path through Choice minefield

Sydney, 22 June 2005 – Virgin Money has come to the rescue of Australians trapped in the Super Choice minefield, launching a straightforward Virgin Superannuation fund with half the average fees of major retail super fundsⁱ and competitive long term performance.

Sir Richard Branson said, "Australians deserve a straight-talking super fund that doesn't steal away their hard earned retirement savings in high fees and hidden commissions. They also deserve simple investment options and peace of mind over the performance of their super."

Virgin Superannuation slashes complex and unnecessary fees that eat away at super savings. There are no entry fees, no exit fees, no contribution fees and no switching fees, just a flat, no nonsense fee of 1% per annum, which is even lower than the average fees of industry fundsⁱⁱ.

To take the guess work out of investing, Virgin Superannuation uses index tracking to spread risk and deliver competitive long term performance. Two simple fund options – Life Stage Tracker and Select Your Own – enable members to tailor their risk level and involvement in managing their investments.

Rohan Gamble, managing director of Virgin Money, said, "Many Australians are sick of paying outrageously high fees to fund managers who gamble with their hard earned cash with no guarantee of great performance. An average Australian paying 2% in fees could be \$72,000 better off by the time they retire by switching to Virgin Superannuationⁱⁱⁱ."

Over 10,000 Australians have already pre-registered for Virgin Superannuation in anticipation of being able to switch funds from 1 July.

"This is terrific news a week out from super choice. It suggests that the government's education campaign is having an impact and that many Australians will exercise their right to take control of their super in order to get a better deal," Mr Gamble said.

In fact, surprising new research conducted by Virgin Money explodes the conventionally held wisdom that Australians are an apathetic bunch when it comes to super.

Virgin Money commissioned AC Nielsen to survey 1,100 Australians in the lead up to Super Choice and found that our super fund is now more important to us than our weight, keeping up to date with fashion, our favourite sports team and even having a regular holiday.

Australians across all age groups place even more importance on a comfortable retirement, ranking our twilight years as more important than being happy in our jobs and only slightly less important than our partners and having good health.

The survey also found that over 60% of Australians think about their super fund at least once a month. In fact, for two in ten Australians, super is a weekly concern.

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Mr Gamble said, “It’s unlikely these attitudes are due simply to the burst of super choice promotion in recent months. Our survey strongly suggests that super was never quite as dull to the average Australian as we have been led to believe.”

More information on Virgin Superannuation is available at www.virginmoney.com.au or by calling 1300 795 383.

For further information or an interview with Rohan Gamble:

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Key Features of Virgin Superannuation

Product Feature	Details
Half the average fees of major retail super funds	Virgin Superannuation has no entry fees, no exit fees, no contribution fees and no switching fees, just a flat, no nonsense fee of 1% of your total account balance.
Competitive long term performance	Our index tracking investment approach slashes management costs and delivers competitive long term performance. The majority of actively managed funds fail to outperform market indexes over the long term and after costs. What’s more, they usually charge high fees to cover the cost of managing the different investments. Index tracking takes the guess work out of investing and is one of the most effective ways of spreading investment risk. Funds are invested by Macquarie Funds Management.
Straight forward investment options	Two investment options make investing in Virgin Superannuation as straightforward as possible: 1. Life Stage Tracker Automatically adjusts your investment mix according to your life stage. As you near retirement, the Life Stage Tracker automatically modifies your risk levels by rebalancing your portfolio away from growth assets into defensive assets. You can select a balanced or aggressive investment option within the Life Stage Tracker. 2. Select Your Own Gives you the power to control your super investment by selecting your desired asset mix, from the more conservative cash / fixed interest classes through to the higher returning and potentially riskier Australian and International shares. You can change your asset allocation as often as you like. Ideal for those who want to take a more active role in how their super is invested. Members can switch between the Life Stage Tracker Balanced option, the Life Stage Tracker Aggressive option and Select Your Own at any time, and there is no switching fee.
Great value insurance options	Virgin Superannuation has partnered with ING Life to provide low cost and comprehensive insurance cover to ensure our members are financially protected if the unexpected happens.
Super customer care	Online account access 24 hours a day allows members to check up on their super, switch investment options and access account details. The Virgin Superannuation call centre is staffed by real people, so there’s no need to speak to a machine.

The Virgin Money Lifestyle Priority Index

Virgin Money commissioned AC Nielsen to survey 1,100 Australians in June 2005 to get a fresh perspective on how much importance Australians place on super.

Super places high on the list of things that are important to typical Australians...

How important are the following things? (scored out of 10)

Having good health	9.35
Your husband / wife or partner	9.20
A comfortable retirement	8.74
Being happy in your job	8.31
Being appreciated by boss	7.99
Your super fund	7.21
Having a regular holiday	7.16
Being happy with your weight	7.15
Owning the car you want	5.30
Your favourite sports team	5.18
Catching your favourite TV program	5.10
Keeping up with fashion	4.50

Even among 18 to 24 year olds, personal super is still way ahead of the things that young people usually seem to be preoccupied with...

How important are the following things (for 18 to 24 year olds)?

Having good health	9.04
Your husband / wife or partner	8.88
Being happy in your job	8.54
A comfortable retirement	8.28
Being appreciated by boss	8.19
Being happy with your weight	7.30
Having a regular holiday	6.80
Your super fund	6.64
Owning the car you want	5.59
Keeping up with fashion	5.30
Your favourite sports team	5.25
Catching your favourite TV program	4.89

Even more remarkable is the importance placed by 18 to 24 year olds on a comfortable retirement. It rates fourth on the list, with a mean importance score of 8.28. The next youngest age group (25 to 39 year olds) rates a comfortable retirement as their third highest priority (8.60). These results suggest that younger Australians have already developed a lifelong interest in super and will be keen to exercise choice with their personal super.

A comfortable retirement and personal super weigh regularly on the minds of typical Australians...

How often do you think about the following in a typical month?

	At least once a day	At least once a week	At least once a month	Don't think about in a typical month	Never
A comfortable retirement	13%	24%	37%	15%	10%
Your super fund	5%	15%	42%	18%	21%

Women are more concerned about a comfortable retirement and their personal super than men...

How important are the following things?

	Women	Men
A comfortable retirement	8.94	8.52
Your super fund	7.29	7.13

About Virgin Money

Virgin Money launched in Australia in May 2003, shaking up the credit card sector with the first credit card to combine low interest rates, no annual fees and up to 55 interest free days with instant rewards. Over 500,000 Virgin Credit Cards are now on issue in Australia, and Virgin Money is now set to build on this success by becoming a broad-based provider of retail financial services in Australia. There's no funny stuff, just money stuff. <http://virginmoney.com.au>

Media release prepared by Virgin Money Financial Services Pty Ltd (AFSL 286869). You should obtain and read a copy of our Product Disclosure Statement issued by Trust Superannuation Services Limited (AFSL 235153) and may wish to consult your financial advisor before making a decision about whether Virgin Superannuation fits your objectives, financial situation and needs.

ⁱ Based on average fees of 2.27% p.a. for retail funds excluding industry funds. Rice Walker Actuaries, June 2004. Features and performance may vary across funds and should be considered when assessing funds.

ⁱⁱ Based on average fees of 1.17% for industry funds. Rice Walker Actuaries, June 2004. Features and performance may vary across funds and should be considered when assessing funds.

ⁱⁱⁱ Calculation based on a 30 year old with a current balance of \$35,000 and earning \$50,000 a year. Assumes a yearly earning rate of 8.5% before fees and taxes, and fees of 1% versus 2% per annum for 35 years. Features and performance may vary across funds. These estimates are not predictions of actual retirement payouts and would vary with changes in relevant or average fees. Rice Walker Actuaries, June 2005.