



CONNECT 4
 46A Stephenson St
 Richmond Vic 3121

Phone: 03 8420 7200
 Fax: 03 8420 7222

www.connect4.com.au

2007 Audit and Professional Services Survey Top 200 ASX Listed Companies

The overall levels of auditing fees and professional services work billed to the top 200 ASX listed companies decreased in 2007.

Auditing fees decreased by approximately 4% and professional services fees declined by 14% leading to a total decrease of 7% (from 2006 levels) in the revenue generated by accounting firms from the top 200.

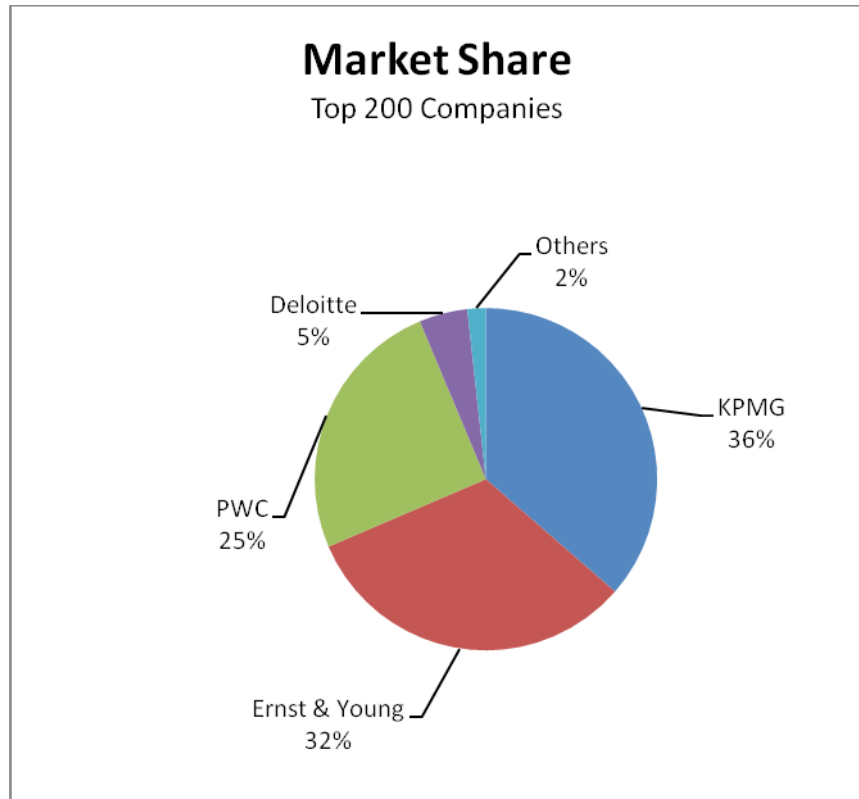
This is the first overall decrease in audit and professional services revenue recorded since Connect 4's first survey in 2002.

A probable contributing factor influencing this decrease is the increased competition for business (generated by the 5 year audit partner rotation requirement) resulting in more accountable and competitive pricing.

KPMG once again lead the Top 4 accounting firms in both audit and professional services revenue with a total of \$122.43M. They were followed by Ernst & Young (\$108.07M), PricewaterhouseCoopers (\$84.53M), and Deloitte Touche Tohmatsu (15.38M).

The following tables and graphs summarise the audit and professional services fees billed to the top 200 ASX listed companies in 2007.

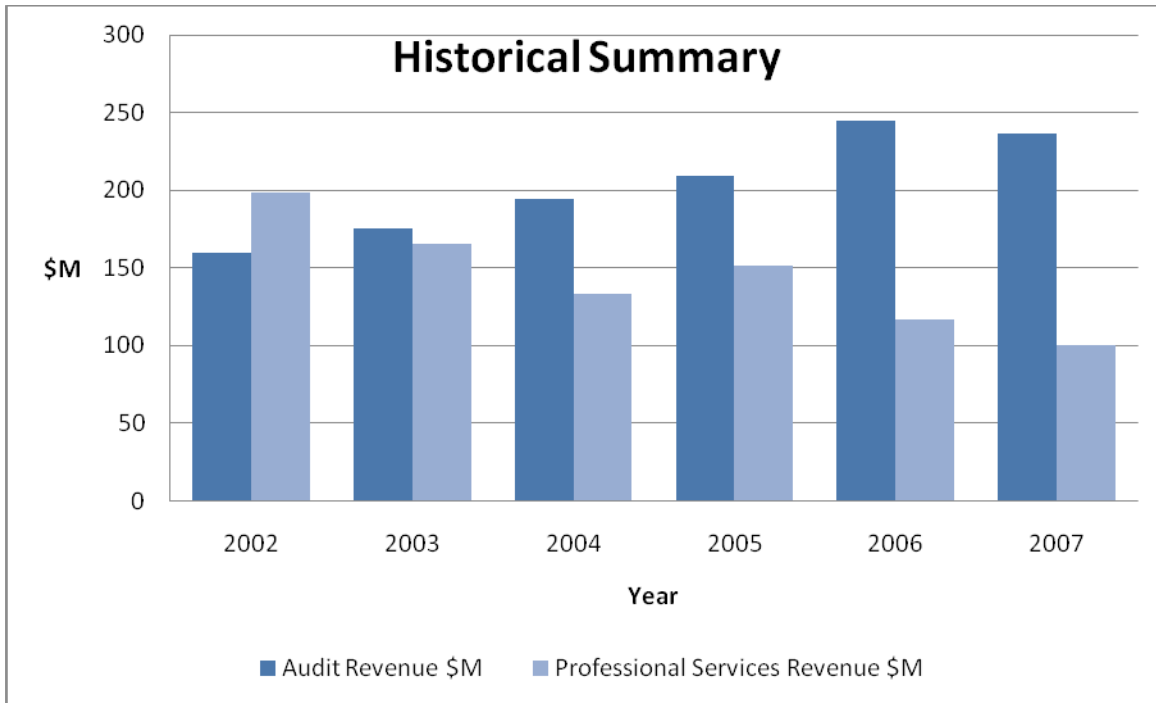
| | Audit Revenue \$M | Prof. Services Revenue \$M | Total \$M | No. of Firms Audited |
|--------------------------|------------------------------|---------------------------------------|----------------------|---------------------------------|
| KPMG | 84.25 | 38.18 | 122.43 | 55 |
| Ernst & Young | 78.07 | 30.00 | 108.07 | 50 |
| PricewaterhouseCoopers | 56.68 | 27.85 | 84.53 | 58 |
| Deloitte Touche Tohmatsu | 12.38 | 3.00 | 15.38 | 19 |
| Others | 4.63 | 1.20 | 5.83 | 18 |
| Total | 236.01 | 100.23 | 336.24 | 200 |



The above graph shows the percentage of market share for the top 4 accounting firms based on the number of ASX companies audited during 2007.

Historical Summary

| Year | Audit Revenue \$M | Professional Services Revenue \$M | Total \$M |
|------|-------------------|-----------------------------------|-----------|
| 2002 | 159.29 | 198.45 | 357.74 |
| 2003 | 175.42 | 164.97 | 340.39 |
| 2004 | 194.28 | 133.14 | 327.42 |
| 2005 | 209.48 | 151.00 | 360.48 |
| 2006 | 245.00 | 116.66 | 361.66 |
| 2007 | 236.01 | 100.23 | 336.24 |



Notes:

1. Information has been extracted from Company Annual Reports.
2. The Top 200 Company sample is based on market capitalisation as of the 30th June 2007.
3. Data for the Top 200 does not include companies who balance on the 31st of December.