

for Investors, Society and the Environment

ASX Announcement

ASX Code: AEF Date: 20 June 2007

Full year profit expectation

Australian Ethical Investment Limited advises that profit for the year to 30 June 2007 is expected to be 10% to 25% over that recorded for the previous corresponding period. This expectation is based on unaudited management accounts to end May 2007 and on management estimates for June 2007.

End/.

Company Background

Australian Ethical Investment Ltd is a funds manager that specialises exclusively in ethical funds management. Four managed investment schemes and corresponding superannuation strategies (for accumulation and pension accounts) are offered: the Australian Ethical Large Companies Share Trust, the Australian Ethical Equities Trust, the Australian Ethical Balanced Trust and the Australian Ethical Income Trust. The Australian Ethical Charter is the foundation of the investment process. It aims to avoid harmful investments and actively seeks investments that benefit society and the environment. Uniquely, the company's constitution requires that 10% of profit is donated to charitable and conservation initiatives.

For further information contact: Philip George, Company Secretary