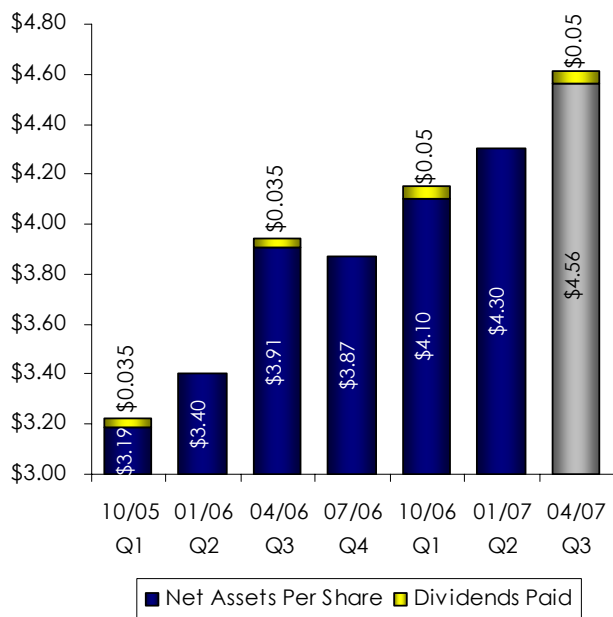




3rd Quarter Net Assets up 7.2%



Unaudited net assets per share grew strongly by 7.2% to \$4.56 during the quarter ending 30 April 2007 (after allowing for 5c in dividends paid – refer table below).

This brings our 9 month year to date increase in net assets to 20.4% including 10c of dividends paid.

Investment Highlights

The growth in assets under management was underpinned by exceptional returns from our listed Australian equity portfolio. In fact, the portfolio has appreciated by 9% during the quarter and 24% in the year to date.

It is worth commenting on some of the outstanding share price rises during the 3 month period including:

- Everest Babcock & Brown up 32%
- Aspen up 27%
- ASX up 27%
- Souls Private Equity up 27%
- Harvey Norman up 26%
- Australian Agricultural Co up 20%
- Woolworths up 19%
- Blackmores up 18%

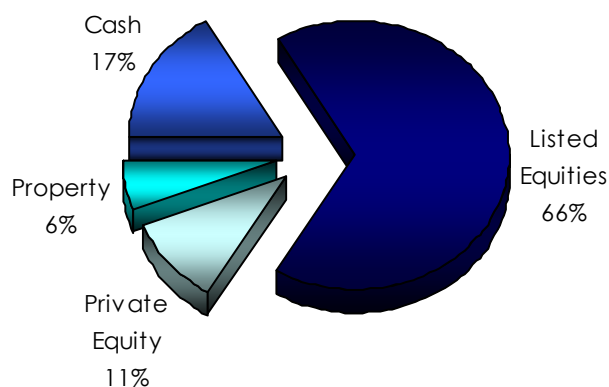
Most of these increases flowed from recent financial results which highlighted the underlying strength of each company's business model and their increasing competitive advantages within their markets.

Shareholder Returns: 20.4% YTD

As at 30 April 2007	3rd Quarter	Year to Date	Prior Year
	3 Months	9 Months	12 Months
Opening net assets / share*	\$4.30	\$3.87	\$3.16
Closing net assets / share*	\$4.56	\$4.56	\$3.87
Increase in net assets	\$0.26	\$0.69	\$0.71
Dividends paid	\$0.05	\$0.10	\$0.07
Total return	\$0.31	\$0.79	\$0.78
% Return	7.2%	20.4%	24.7%

* Before allowing for tax on unrealised gains

Investment Portfolio: \$193.5m





GOWING BROS

Investing together for a secure future

COMPANY UPDATE

13 June 2007

Cash (\$30.4m)

Cash holdings represent 17% of our total portfolio and are invested across various high yielding floating rate notes and commercial bills.

Our cash holdings will continue to be deployed into quality investments in a disciplined manner. These funds also well position the company to take advantage of any periods of market weakness.

Listed Equities (\$131m)

Our listed equity investments are made on a fundamental value basis in companies that are well positioned to deliver above average long term growth.

We continue to monitor emerging global trends that will drive significant shifts in future consumption, behaviour and economies. We then identify companies that are well positioned to benefit from these trends but whose share prices do not yet reflect their growth potential.

Ideally we would like to invest in such trends through a leading Australian company. However, many industries are not well represented in Australia. Accordingly, we have identified a number of international companies and continue to monitor their performance.

During the period, \$11.9m of new investments or 'top-ups' were made including:

Top-ups

- Aspen
- Babcock & Brown
- Blackmores
- Carlton Investments
- Coffey
- Everest Babcock & Brown
- Fleetwood
- Resmed
- Souls Private Equity

New Investments

- AMP China Growth
- Emeco Holdings
- Gosford Quarries
- Imdex
- India Equities Fund
- Newscorp
- Nomad
- Quikflix
- Seek
- Wesfarmers
- Wotif

Property Investments (\$11.5m)

Our property investments are generally made within a partnership where we can take a passive position.

During the quarter, we were successful in obtaining development approval to allow a significant facilities upgrade to our recently purchased Dundee Beach Tourist Park.

We have appointed agents to sell two of our boutique retail properties to take advantage of the current buoyant market conditions.

Managed Private Equities (\$20.6m)

Investments in managed private equity have been significantly increased during the year with \$20m currently invested across 6 different managers with further commitments of \$8m to be drawn down.

Through our network, we have been able to obtain access to some very strong managers with an ability to generate proprietary deal flow. Managers who generate their own deals avoid a competitive bidding process, which greatly contributes to the success of the investment.

Following recent meetings with all of our private equity managers, we are pleased to report that several fund managers are on track to realise significant gains in the short term. In particular, Crescent Capital has made a large realisation of one of its investee companies which alone should return 100% of the fund's total capital.

We are also seeing some promising new offerings in the pipeline which we would like to participate in.



Portfolio Commentary

Investments are made across the different asset classes to take advantage of changing cycles and valuations. The decision to sell the Market Street building last year proved very timely given that a large portion of the proceeds has gone on to earn another 20% in listed equities during the current year.

Through our network and existing relationships, we seek to make investments on a direct or wholesale basis where the fundamentals are compelling. We also seek to use these relationships to obtain access to select opportunities not available to the wider investment community or retail investors such as private equity, institutional placements and co-investments.

Outlook

We believe the listed Australian equity market should continue to grow, albeit more modestly, in the short term. As noted above, global equities represent an attractive opportunity to invest in high growth companies not available in Australia.

Our private equity managers have been delivering good results and all have good deal pipelines that should see these returns continue over the medium term.

Property investments will continue to be assessed on individual merit where we can add value to achieve superior returns.

The company continues to be well positioned to benefit from further growth in local and global economies through its diversified investment portfolio of quality assets. Conversely, as a result of our diversification across different asset classes, we are well placed to weather any unforeseen economic downturn or global shocks.

Key Trend Exposure

	Globalisation	Financialisation	Agribusiness	The Internet	Industrialisation of Developing Countries	Aging Population	The Environment
Aditya Birla Minerals							
Alesco Corporation							
Allco Finance Group							
AMP Capital China Growth							
ANZ Banking Group							
ARB Corporation							
Aspen Group							
Australian Agricultural Co							
Australian Stock Exchange							
Babcock & Brown							
BHP Billiton							
Blackmores							
Carlton Investments							
Coates Hire							
Coffey International Ltd							
Commonwealth Bank							
Concept Hire Ltd							
Everest Income Trust							
Everest Babcock & Brown							
Emeco Holdings Ltd							
Fleetwood							
GLG Corp							
Gosford Quarry							
Harvey Norman							
Hills Industries							
Imdex							
India Equities Fund							
Insurance Aust Group							
Invocare							
John Fairfax Holdings							
Lend Lease Corporation							
Macquarie Airports							
Macquarie Bank							
National Australia Bank							
News Corporation							
Nomad Building							
Noni B							
Perpetual Limited							
Quickflix							
Regional Express							
Resmed Inc							
RIO Tinto							
Seek							
Soul Pattinson & Co							
Souls Private Equity							
St George Bank							
Transurban Group							
Wesfarmers Limited							
Westpac Banking Corp							
Woodside Petroleum							
Woolworths							
Wotif.com							