

## CRISPIN MURRAY INTERVIEW

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Q. HOW IMPORTANT ARE THE RIGHT PEOPLE AND HOW DOES THE BTIM STRUCTURE ALLOW YOU TO ATTRACT AND RETAIN THEM?

A. Well successful investing is all about coming up with good investment ideas and investment ideas really are borne of the people in the team who need to get out there and find undervalued companies and to do that it's really about understanding industry, speaking to as many people in that industry, customers, clients and so forth and it's through that process that you can identify what are those opportunities.

Now to get those ideas it is all about the people in the team and those people need to be, intelligent people, they need to have a lot of experience and, they really need to be motivated in the right way and to achieve that you need to align them with the interests of our clients and it's that alignment of interest which is really critical and that is what we've achieved through this structure that we've created with the boutiques in place.

Everyone understands that their business is built around delivering long-term value for their clients and that is borne of good investment ideas, good investments over the long run and so that alignment is very clearly in place now.

Q. HOW DO THE VARIOUS BOUTIQUES IN THE MODEL ENHANCE EACH OTHER'S PERFORMANCE?

A. Well an important part of investing is to get as many perspectives on the investment view, many ideas as you can get and that means that, you want the person who's done the detailed analysis of that company in that industry but you also want to get the perspective of other people in the equity team because they'll have other perspectives.

So, for example, the retail analyst will have a view on supermarkets, a consumer analyst will have a view on the suppliers of that company. So immediately you've got different perspectives that gives you extra insight. On top of that, you've got the other boutiques within the company.

Now, they are going about investing in slightly different ways to us. They're investing different asset classes and they are looking a lot of the same things that we're looking at but from different points of view and that provides us with the really important cross check on some of the views that we have and it's really important to test the strength of your views by being - having those challenged from other people looking at things in different ways. So that sort of cross check and the collaboration, I think, is critical, it's a good, long run investing.

**Q. HOW DOES YOUR STRATEGY ENABLE YOU TO GENERATE RETURNS FOR YOUR CLIENTS?**

**A.** Generating long-term good returns for our clients is, firstly about coming up with the good ideas, but it's also about converting those ideas to actual positions in a portfolio for the client and to really have the confidence to invest in a stock you need to know a lot more than just about what the company does and what the fundamentals are in that industry.

You've got to get into the detail of the numbers, what the profitability is going to be, what the balance sheet looks like, what the cash flows are, what the returns are, what are the risks to that.

And that requires a lot of disciplined analysis and so investing really requires you to both have that creative idea generation but it also needs a process discipline to make sure you convert those ideas to actual outcomes in your client portfolios.



Q. HOW DO YOU MEASURE SUCCESS ON A PERSONAL LEVEL?

A. Well investing clients' money is a very big responsibility and that's something that every member of our team is very aware of and to us it's not a matter of coming up with one year's good return or two year's good returns, or coming up with one or two stock ideas, it's a long-term partnership.

It's about delivering consistent, strong investment performance for that client and doing so in a way which is consistent with the principles of investing that we've stood by and we really believe firmly that, each year, each quarter, each month, that challenge is very much something we have to deliver upon and we take that extremely seriously.