

27 October 2011

Appendix 4C Quarterly Report – Additional Information

Praemium Limited (ASX:PPS) has released the following additional information in relation to its Appendix 4C report, for the period 1 July to 30 September 2011. The following table summarises key comparative measures for the last five quarters:

Portfolio Admin Services						
Quarter	Revenue \$'000	Receipts \$'000	Nbr Portfolios	FUA	SMA FUM	UK FOP ¹
Sep-10	\$4,193	\$3,178	44,279	\$42.4bn	\$532mn	£155.4mn
Dec-10	\$2,768	\$2,954	43,969	\$44.4bn	\$558mn	£205.5mn
Mar-11	\$2,879	\$2,691	44,458	\$47.5bn	\$587mn	£244.3mn
Jun-11	\$3,122	\$3,142	45,075	\$45.6bn	\$574mn	£283.3mn
Sep-11	\$2,909	\$2,856	44,815	\$43.5bn	\$500mn	£294.4mn

Note¹: FOP = Funds on Platform

Additional Notes:

- The 30 September 2011 cash balance is \$3.276 million.
- Net operating cash flow for the quarter was an outflow of \$2.4 million, compared to the prior quarter's outflow of \$1.1 million.
- \$0.65 million in one-off restructure payments were incurred this quarter, with a further \$0.4 million incurred to the date of this release. As announced on 30 September, non-recurring restructure costs are estimated to be around \$1.4 million over FY2011/12 and will result in ongoing operating cost savings once fully implemented of between \$2 and \$3 million per year.
- The Company, at the date of this release, has received the \$5 million from the placement to sophisticated and professional investors, following shareholder approval at its AGM on 17 October. The short term advance of \$1 million by related parties as disclosed in an ASX announcement on 28 September 2011 has been repaid, at the date of this release from the placement funds noted above. The Company's cash balance at the date of this release was \$5.79 million.

About Praemium: Praemium Ltd (ASX:PPS) is one of Australia's leading suppliers of online financial portfolio administration and Separately Managed Account (SMA) technology, administering in excess of AUD43 billion-FUA* of assets in Australia and with more than £290 million-UK FOP* in funds on the platforms it operates in the UK. Praemium currently provides services to approximately 480* financial institutions and intermediaries, including some of the world's largest financial institutions.

*As at 30 September 2011

For further information contact:

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Praemium Ltd

ABN

74 098 405 826

Quarter ended ("current quarter")

September 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from customers	2,856	2,856
1.2	Payments for (a) staff costs	(3,448)	(3,448)
	(b) advertising and marketing	(89)	(89)
	(c) research and development		
	(d) leased assets		
	(e) other working capital	(1,747)	(1,747)
1.3	Dividends received	3	3
1.4	Interest and other items of a similar nature received	27	27
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
Net operating cash flows		(2,398)	(2,398)

+ See chapter 19 for defined terms.

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	(2,398)	(2,398)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(32)	(32)
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
Net investing cash flows	(32)	(32)
1.14 Total operating and investing cash flows	(2,430)	(2,430)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	1,000	1,000
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	1,000	1,000
Net increase (decrease) in cash held	(1,430)	(1,430)
1.21 Cash at beginning of quarter/year to date	4,644	4,644
1.22 Exchange rate adjustments to item 1.20	62	62
1.23 Cash at end of quarter	3,276	3,276

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	43
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

1.24: \$42,995 salaries and benefits to non-executives paid as director fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	
3.2	Credit standby arrangements	

+ See chapter 19 for defined terms.

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Quarterly report for entities
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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	2,636	1,327
4.2	Deposits at call	640	3,317
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		3,276	4,644

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	
5.2	Place of incorporation or registration	
5.3	Consideration for acquisition or disposal	
5.4	Total net assets	
5.5	Nature of business	

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date:
(Director/Company secretary)

Print name:

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.