



Investorfirst Ltd

Shareholder Update

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Disclaimer



Summary information

The material that follows is a presentation of general background information about Investorfirst Limited's ('INQ') activities current at the date of the presentation, 18 March 2013. It is information given in summary form and does not purport to be complete.

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What we do



- We develop, distribute and operate the HUB24 Investment and Superannuation platform
- Our customers are financial advisers, accountants, stockbrokers and institutions
- We allow our larger corporate customers to white label the platform under their own brand
- We are independently owned and not aligned to a fund manager or bank.

Highlights



- **90% growth** in HUB24 Funds Under Administration in last 6 months
- **Significant reduction in operating expenses** with divestment of stockbroking
- **Sales pipeline building** with Wilson HTM and others
- **Founders, management highly incentivised** owning 20%
- **Award winning, independent alternative** to bank owned platforms

About HUB24



- HUB24 is a full featured Wrap Platform incorporating Investor Directed Portfolio Service (IDPS) and Super/Pension services
- Market leading Managed Portfolio functionality
- Very wide investment choice including Managed Portfolios, listed securities, managed funds, term deposits and cash
- We build the platform inhouse and own the IP
- Members of our team helped found successful financial planning and wrap platforms including Visiplan (now IRESS), COIN (Macquarie), Navigator (MLC) and Avanteos (Colonial FirstWrap)

Industry Recognition



- Industry leading market researcher awarded HUB24 the “Most New Developments” category in 2012
- HUB24 ranked 3rd in the Product category and 7th overall out of 25 of the leading wealth management platforms
- HUB24 was most improved with a 23% rating improvement. The next best was 9%.

Results from Investment Trends *2012 Platform Report*, based on a face-to-face research and audit methodology.

Our Aspiration

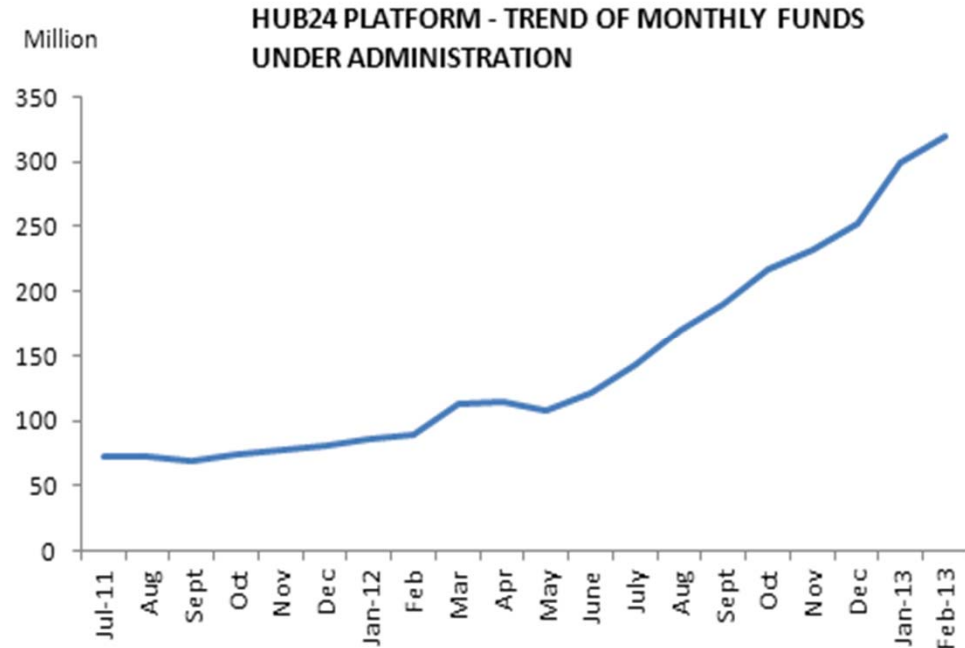


- To be the leading independent platform
- Invest in the platform to extend our leadership as a full featured investment and superannuation platform
- Deliver the most effective and efficient platform for financial advisers
- Deliver high quality, tax efficient, cost effective service to investors

Key Stats



- FUA = \$325m
- 25% increase in a little over two months
- Net inflows averaging more than \$20m per month
- Dealer Groups actively using platform: 25



- Major customers: Ord Minnett, Matrix, Sentry, Beresford's
- Advisers actively using platform: more than 200
- No of Managed Portfolios = 144 ... and growing

Corporate Snapshot



Capital Structure	
Shares on Issue	31.2m
Share price @ 15/3/2013	\$0.53
Market Capitalisation	\$16.5m
Cash @ 31/12/2012	\$10.5m

- Directors, staff and founders hold approximately 20% of the company

Divestment of Stockbroking



- Strategic review resulted in decision to exit stockbroking
- Divested to Wilson HTM
- Last brokers transferred out 1 March 2013
- Stockbroking shutdown by end of March 2013
- Reduce FTE from 65 (6 months ago) to 32 by end of March
- Free up approximately \$3m in capital
- Management and board can focus wholly on HUB24

Achievements in last 6 months



- **Business transformed** with divestment of broking
- **\$300m Funds Under Administration (FUA)** milestone ... 90% increase in 6 months
- **Record net inflows** in January of \$31m
- **Launched 2 White Label versions** for Sentry and Canaccord BGF
- **Signed agreement with intention for Wilson HTM to white label HUB24 and transfer \$1.4 billion FUA**, subject to due diligence and agreement to final commercial terms
- **Won “Most New Developments” Award** in Investment Trends report
- **Significant reduction in fixed costs** ... continued focus
- **\$8.2m capital raising** completed in September 2012
- **Development and release of HUB24 Direct Market Trading**

Priorities



- **Conversion of Funds Under Administration** from signed dealer groups and larger corporate customers
- Implement **Wilson HTM** White Label project
- Implementation of **FOFA**
- Further **platform enhancements**
- Continue to **build sales pipeline**

First half financial summary



For the period ended 31 December 2012

	Dec 2012	Dec 2011	% change
<u>Continuing Operations</u>	<u>\$'000</u>	<u>\$'000</u>	
Revenue	764	563	36%
Result	(3,233)	(4,226)	(24%)
<u>Discontinuing Operations</u>			
Revenue	3,786	2,473	53%
Result	(3,243)	(2,786)	16%
<u>Combined</u>			
Revenue	4,550	3,036	50%
Result	(6,476)*	(7,013)	(8%)
Cash	10,524	11,438	(8%)

* Includes provision for stockbroking exit costs of \$1.965m

Summary



- Strong growth in HUB24 Funds Under Administration
- Business is slimmer and more sustainable
- Wholly focused on development and commercialisation of HUB24
- Sales pipeline building with Wilson HTM and others
- Investing in platform to retain leadership
- Founders involved and incentivised
- Independent and we own the platform IP