

ASX Release: 22 April 2016

## HUB24 CONTINUES WITH RECORD INFLOWS FOR THE THIRD QUARTER

### Quarterly business update

#### Highlights

- Record quarterly net inflows<sup>1</sup> to HUB24's investment and superannuation platform of \$363m - up 123% on pcp<sup>2</sup>
- Funds under administration (FUA) of \$2.7bn at 31 March 2016 up 80% on pcp (now \$2.8bn)
- Fortnum white label launched and transition on schedule with \$150m transferred to HUB24 in March
- Secured white label partnership with Lifespan
- HUB24 now offering Managed Discretionary Account (MDA) administration services for MDA operators

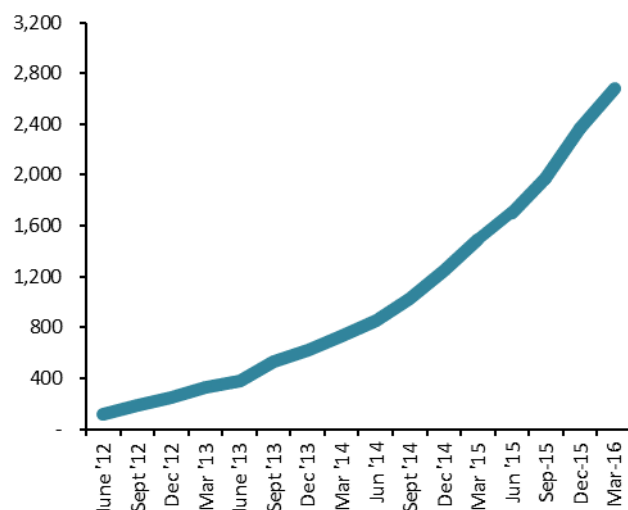
#### Accelerating growth in FUA and net inflows

HUB24 reports record net inflows for the third quarter of FY2016 of \$363m, taking FUA to \$2.7bn. The growth represents a 123% increase in net inflows over the prior corresponding period and is a very pleasing result given the March quarter is traditionally the weakest quarter for net inflows.

FUA growth was an increase of 80% over the prior corresponding period and now stands at \$2.8bn. The result was achieved in the context of market volatility and challenging investor sentiment given a fall in the ASX200 by 13.7% for the year ended 31 March 2016 and a fall of 4.2% for the quarter.

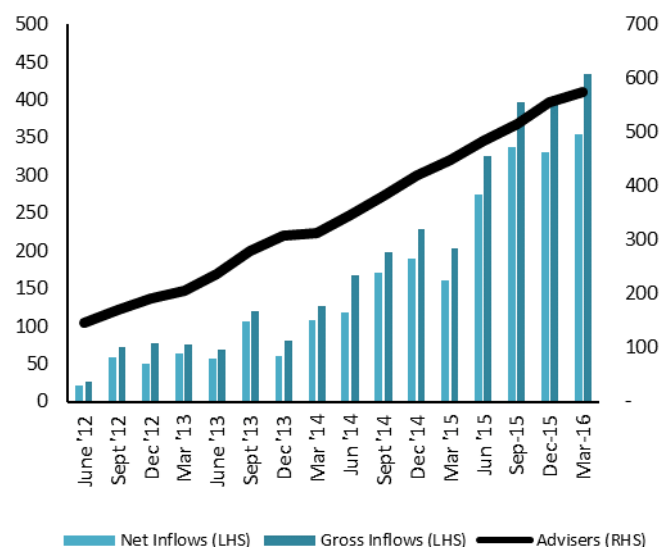
#### FUA balance

\$ millions



#### Inflows and number of advisers

\$ millions



<sup>1</sup> Net inflows represent gross inflows less outflows during the period and does not include market movement

<sup>2</sup> Pcp is prior corresponding period of quarter ending 31 March 2015

Platform statistics	MAR '15	JUN '15	SEPT '15	DEC '15	MAR '16	Growth*
<b>FUA - total</b>	\$1,493m	\$1,704m	\$1,979m	\$2,368m	\$2,686m	79.9%
<b>Net Fund Inflows (Qtr)</b>	\$163m	\$273m	\$337m	\$331m	\$363m	122.7%
<b>Gross inflows (Qtr)</b>	\$204m	\$325m	\$397m	\$403m	\$442m	116.7%
<b>Number of Advisers</b>	449	484	522	556	579	29.0%

Statistics are for each quarter, have been rounded and are not audited. Inflows do not include market movement.

\* Growth is the percentage increase on prior year corresponding quarter.

### **Business update**

HUB24 continues to invest in product development and staffing to support ongoing growth as the company looks to convert a strong pipeline of significant opportunities. During the quarter HUB24 signed seven new distribution agreements with licensees and hired 3 new sales staff to support demand for our market leading Investment and Superannuation platform.

The recently launched international model portfolio offering is being expanded with several world class investment managers choosing to offer their portfolios on HUB24.

Additionally, HUB24 is now offering administration services for Managed Discretionary Account (MDA) operators and the company is well positioned to take advantage of the foreshadowed changes to MDA and limited MDA regulatory requirements. Additional new business opportunities may arise to support current providers that are impacted by the changes.

#### *Fortnum Financial Group transition*

A white labelled IDPS service and Super/Pension service was rolled out to Fortnum Financial Group (Fortnum) during the quarter under the e-Cclipse brand. The service includes five new customised managed portfolios for Innova Asset Management. The solution also encompasses a non-custody reporting service which is ideal for clients seeking an integrated view of all their assets.

During March, Fortnum transitioned the first tranche of approximately \$150 million within their MDA service to HUB24. A further \$450m is expected to be transitioned in tranches during the June quarter which will move into retail custody (MDA, IDPS or Super) and the non-custody reporting service.

#### *White label partnership with Lifespan*

During March HUB24 announced a new white label partnership with Lifespan Financial Planning. Lifespan is one of Australia's largest privately owned financial planning networks supporting more than 110 offices throughout Australia with more than \$1.5 billion under advice. The service will be open to new investments from May.

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**About HUB24**

HUB24 is a financial services company listed on the Australian Stock Exchange (ASX: HUB). The business is focussed on the delivery of the HUB24 platform and the growth of its wholly owned financial advice licensee, Paragem. The HUB24 platform supports the achievement of superior superannuation and investment outcomes for investors. It is a next-generation service with state-of-the-art portfolio management, transaction and reporting solutions for licensees, financial advisers, accountants, stockbrokers and institutions. HUB24 is not aligned to any major bank, manager or institution. HUB24 is an independent organisation with award winning technology and a growing number of respected and high profile financial services companies as its customers.

For further information, please visit: [www.HUB24.com.au](http://www.HUB24.com.au)