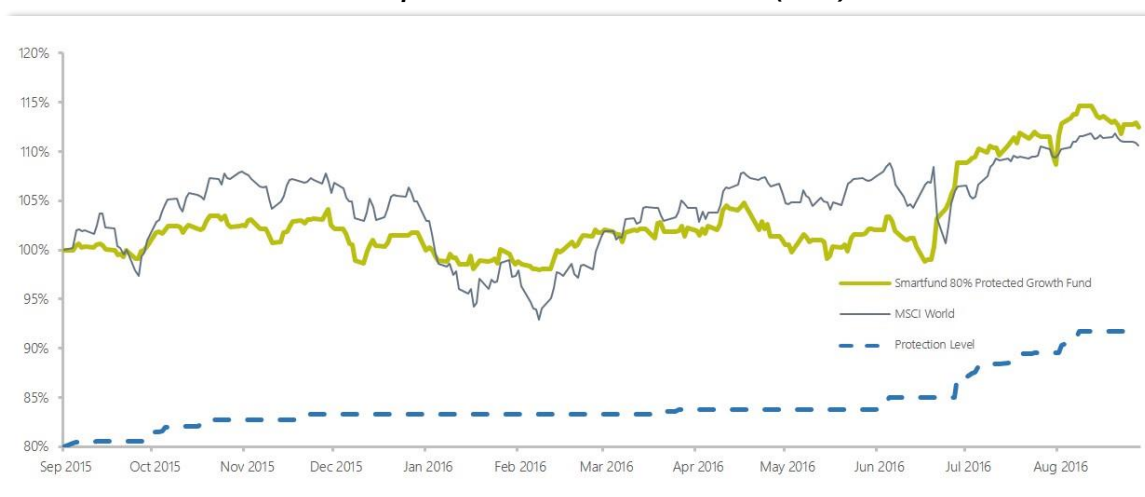


## Strong first year for Smartfund 80% Protected

**28 September 2016, London:** Praemium is pleased to report an outstanding inaugural year for its innovative Smartfund 80% Protected funds. Launched in September 2015, these multi-asset funds are available in three currencies (GBP, USD and EUR) and have now reached over £80 million (\$AUD 135 million) in assets under management.

The Smartfund 80% Protected Growth fund, comprising 90% exposure to international equity markets, outperformed the MSCI World Index with considerably less volatility as shown by the chart below.

**Smartfund 80% Protected Growth (GBP)**



	Return	Volatility
Smartfund 80% Protected Growth Fund	12.48%	10.29%
MSCI World	10.64%	13.93%

Source: Lipper, 4<sup>th</sup> September 2015 to 31<sup>st</sup> August 2016. All returns are total return in GBP sterling. MSCI World index is total return in GBP priced in USD.

Investors benefit from capital protection to a minimum of 80% of the fund's highest value ever achieved on a daily basis, effectively a high-water mark strategy. Praemium's expert multi-asset fund manager team (Smart Investment Management) run the investments and Morgan Stanley provide the fund protection component.

Praemium CEO Michael Ohanessian commented, "We are delighted with the performance of the Smartfund 80% Protected Growth fund. It has done very well in highly volatile markets, protecting value during downturns and yet being able to capture value on upswings. This innovative new product was set out to create an investment strategy for investors looking to grow their capital but seeking a smoother journey. After its first year of operation, in trying conditions, it has delivered as planned.



"We believe that Smartfund 80% Protected is ideal for clients who are reluctant to take risks with their investments, such as investors approaching or in retirement. Smartfund 80% Protected offers an alternative to low-risk investments that may not deliver a client's financial objectives in the current low interest rate and low economic growth environment.

"Traditional protected products use a "constant proportion portfolio insurance" (CPPI) approach, where funds are switched to less risky assets in the event of a market downturn. While this achieves the protection objective, it also means that upside returns are limited. Smartfund 80% Protected, on the other hand, does not change the underlying assets in the event of market downturns. The protection is delivered by option strategies that are written daily by the Morgan Stanley team without the need to switch assets into less risky, lower-return assets. This means that investors retain exposure to growth assets and can therefore benefit from any market upturns during periods of market volatility. There is also no fixed investment period and investors can purchase or sell units on a daily basis without penalty.

"Given the success of the Smartfund 80% Protected funds in the UK and international markets, we are now planning to release an AUD\$ version for the Australian market in early 2017."

**About Praemium (ASX: PPS):** Praemium is a global leader in the provision of investment administration, Separately Managed Account (SMA) and financial planning technology platforms. Praemium administers in excess of 300,000 investor accounts covering approximately \$80 billion in funds globally, and currently provides services to approximately 700 financial institutions and intermediaries, including some of the world's largest financial institutions. For further information contact: Mr Paul Gutteridge, Company Secretary +613 8622 1222