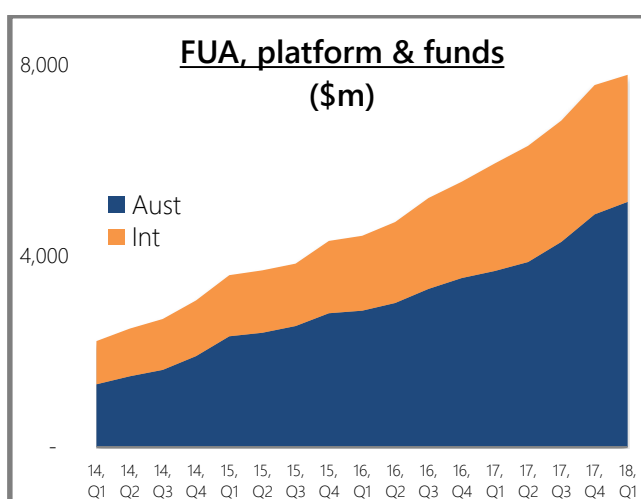
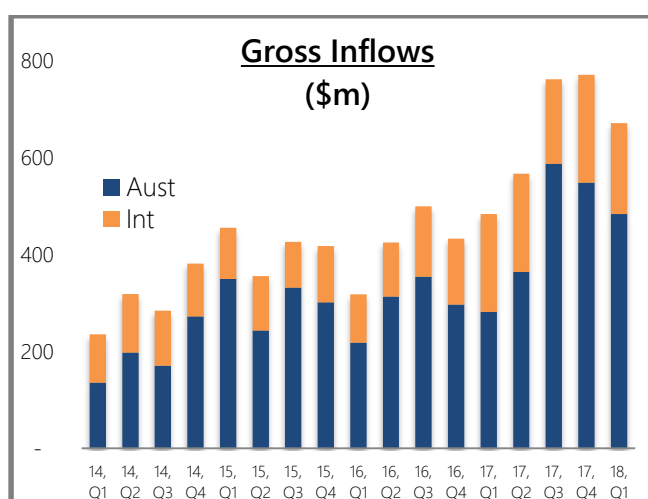


## March 2018 update: FUA at \$7.8 billion

**16 April 2018, Melbourne:** Praemium is pleased to report strong platform inflows in the March 2018 quarter, with key milestones of:

- **Combined gross inflows of \$671 million, the third highest on record;**
  - 39% higher than the prior corresponding period;
  - Australian gross inflows of \$484 million, the third highest on record;
  - International gross inflows of \$187 million (£105 million), the fourth highest on record; and
- **Record levels of funds under administration (FUA), now at \$7.8 billion.**



Refer to table below for quarterly FUA movement

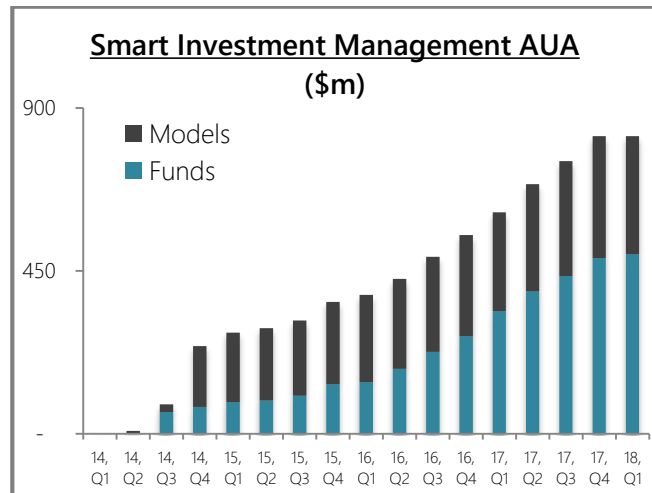
FUA for the March quarter of \$7.8 billion was up 5.2% on the December quarter of \$7.4 billion despite sharp declines in equity markets. In Australia where the ASX200 was down 5.0%, Australian platform FUA was up 5.3%. For the International platform where the FTSE100 was down 8.2%, International platform FUA was down 1.5% in local currency.

\$ million	Dec 2017	Inflows	Other <sup>^</sup>	Mar 2018	Mar 2017	Growth pa
Australia	4,873	484	(225)	5,131	3,685	39%
International	2,538	187	(64)	2,662	2,003	33%
<b>Total</b>	<b>7,411</b>	<b>671</b>	<b>(289)</b>	<b>7,793</b>	<b>5,688</b>	<b>37%</b>
International (£)	1,471	105	(127)	1,449	1,227	18%

International FUA in GBP is translated at spot rate for quarter end FUA (0.5444) and quarterly average for inflows (0.5582)  
<sup>^</sup>Other includes changes in market value of assets, foreign exchange movements (for International FUA) and fund outflows.

Compared to the December quarter, FUA for Smart Investment Management was down in local currency to £448 million in the March quarter. This was offset by a weaker UK sterling resulting in a flat FUA of \$822 million.

Compared to the prior comparable period, Smart Investment Management FUA was up 20% in local currency and up 34% in AUD.



## Business Update

The March 2018 quarter included progress on several strategic initiatives:

- Added 69 new models, an 11% increase, on the Praemium SMA;
- Expanded international models on the Australia SMA with the addition of leading global manager Franklin Templeton;
- Introduced family pricing for the Australia SMA;
- Launched online Fact Find capability for WealthCraft in the International market; and
- Successfully completed and rolled out our international MiFID II compliance requirements.

Praemium CEO Michael Ohanessian commented, “The March quarter was a tough one for equity markets globally with declining valuations and an increase in volatility. Despite an increase in investor uncertainty, we are pleased that our asset inflows held up and our overall FUA increased 5% over the December quarter.

“For the Australia platform, we are very pleased with the uptake by advisers of our new leading-edge digital acceptance. We have also received positive feedback on family pricing and a number of other key new features released in the quarter. Looking forward, we expect to see considerable interest in the newly launched International SMA. Providing direct holdings for a client’s offshore equity allocation has often been prohibitively expensive compared to using collective structures; however, the efficiency of the Praemium SMA and the fact that we pass on the trade-netting benefits to investors helps make Praemium’s international SMA models economically viable.

“Internationally, the business is progressing well in two important areas. The first is the uptake of Praemium’s SIPP product from our platform clients, with FUA over £16 million at March 2018. Secondly, we have had a considerable increase in demand for the WealthCraft CRM solution, especially in conjunction with the Praemium platform and our in-house investment solution, Smart Investment Management.”