

ASX Release: 5 July 2017

Record Inflows during Q4 – FUA now \$5.5b

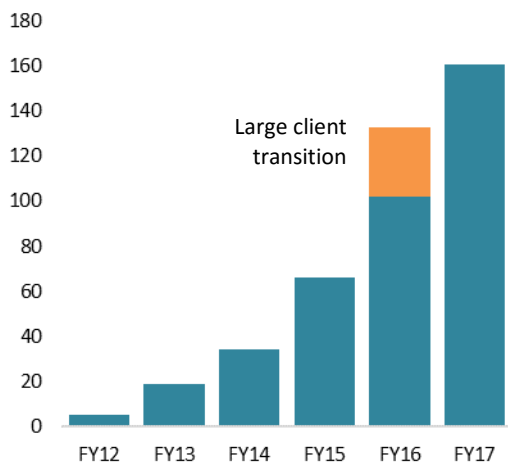
Quarterly business update

Highlights

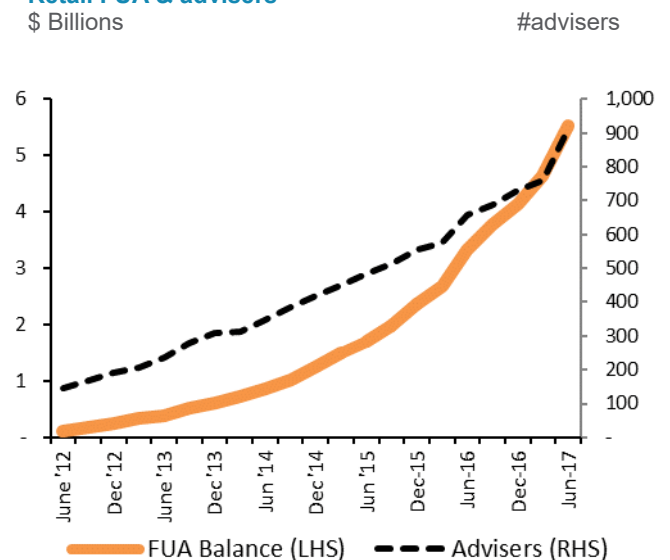
- Record quarterly net inflows¹ for Q4FY17 of \$841m and record quarterly gross inflows of \$1,090m
- Retail Funds under Administration (FUA) are now \$5.5b up from \$4.65b at 31 March 2017 and an increase of \$2.2b or 66% for the year
- 21 new licensees signed distribution agreements and 115 new advisers were introduced to the platform during the quarter
- During the quarter HUB24 launched 21 new managed portfolios, and 104 managed funds onto the platform
- New appointments made to support additional growth opportunities.

Continuing growth in FUA and net inflows

Average monthly net inflows
\$ millions



Retail FUA & advisers
\$ Billions



Net and Gross inflows were an all-time record reaching \$841m and \$1,090m respectively for the quarter with FY17 annual net inflows reaching \$1,953m (gross inflows of \$2,629m).

Contributing to this quarterly result was the realisation of long term sales opportunities and increased inflows due to regulatory superannuation changes. The quarter also included the transfer of \$85m in FUA for a Managed Discretionary Account (MDA) operator demonstrating the platform's capability in supporting this structure.

The company has continued to increase its market share with the latest available data indicating HUB24 achieved the 4th highest market net inflows for Q3FY17. Overall, for the year ended 31 March 2017, HUB24 achieved the 6th highest (or 10.47%) of annual net inflows showing HUB24's rising

¹ Net inflows represent gross inflows less outflows and do not include market movement

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market share. Market share of FUA has grown from 0.57% as at 31 December 2016 to 0.62% at 31 March 2017².

The spread of platform distribution continued to grow during the quarter with 74% of net inflows into HUB24's retail platform and the remainder to white label versions of the platform. In addition, 21 new licensee agreements were signed during the quarter and 115 new advisers were introduced to the platform, predominantly from boutique independent financial advice (IFA) practices.

Average funds under administration per adviser also increased and our sales pipeline continues to strengthen across the HUB24 platform, Paragem (licensee) and Agility business segments.

With FY17 being our first year of profitability these strong inflows are expected to build further profit momentum as HUB24 benefits from increasing scale.

Platform statistics	JUN '16	SEPT '16	DEC '16	MAR '17	JUN '17	Growth**
FUA - Retail	\$3,313m	\$3,770m	\$4,149m	\$4,652m	\$5,520m	66.6%
RETAIL INFLOWS						
Net Fund Inflows (Qtr)	\$579m	\$366m	\$328m	\$418m	\$841m	45.3%
Gross inflows (Qtr)	\$688m*	\$496m	\$475m	\$568m	\$1,090m	58.4%
Number of Advisers	659	690	737	802	917	39.2%

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

* Large non-recurring client transition.

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

Business Update

HUB24 is continuing to invest in business growth with the development of platform functionality and the recruitment of additional staff to support this growth. The appointment of Craig Lawrenson as Chief Operations Officer was announced during the quarter, with Craig commencing in August. Additional appointments have recently been made in the areas of product strategy, marketing, financial control and business development.

The Company remains focused on its growth strategy, and to that end has established a formal strategic development council to advise on business strategy across all segments. The council will comprise Agility Directors, Craig Apps and Paul Biggs, alongside Paragem Directors Ian Knox and Charlie Haynes, as well as members of the platform executive team. The firm intention is to leverage all HUB24's business segments and the collective expertise of its management team.

To date, the integration of the HUB24 platform and Agility's "Connect" system has been successful, allowing Agility Connect users to access HUB24 account information, portfolio reports and trading functionality. The technologies are integrated to allow users to move seamlessly between the two platforms with a single login. A number of Agility's clients have committed to rolling out the new integrated functionality.

Further, Agility's software products continue to be rolled out to new and existing clients with a greater than 10% increase in licensed users since the acquisition of Agility by HUB24 on 3 January 2017.

² Source: Strategic Insights (Plan For Life). Analysis of Wrap, Platform and Master Trust Managed Funds at March 2017. HUB24 is the fastest growing wrap platform relative to its size in percentage terms, 6th fastest in dollar terms of net inflows.

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For further information please contact:

Andrew Alcock
Managing Director
HUB24 Limited
(02) 8274 6000



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 subsidiaries Paragem, a financial advice licensee, and Agility Applications which provides data, reporting and software services to Australian stockbroking and wealth management market. 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

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