

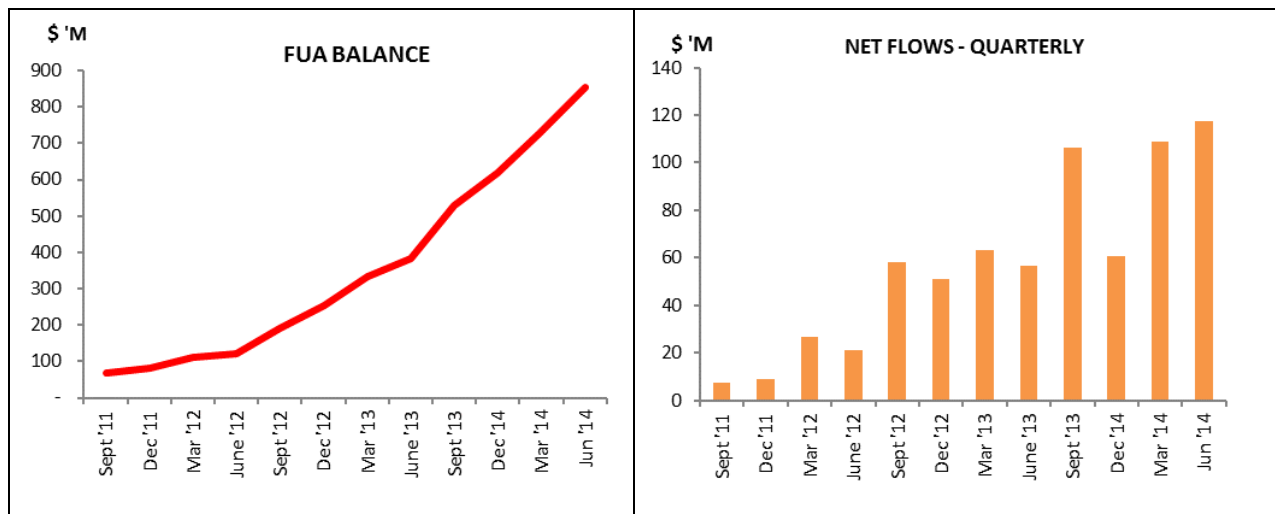
## HUB24 Records Strong Inflows for June Quarter & Strong Start to New Financial Year

**Thursday July 24, 2014.** HUB24 CEO Andrew Alcock today announced the June quarter update and advised the company recorded Net Inflows of \$117.7m for the period. This boosted FUA at the end of the quarter to \$853.8m, and represents an increase of 122% over the past 12 months. FUA continues to grow in July with FUA as at 22 July 2014 of \$902m.

Commenting further on the results, Andrew Alcock said, "These increased flows are from HUB24's existing client base, new advisers from existing clients as well as new flows from the white label IDPS & Super versions of the platform launched in December 2013 for Premium Wealth Management, Interprac and Total Financial Solutions".

Highlights of HUB24's results for the June quarter are as follows –

- Record Net Inflows<sup>1</sup> in the June quarter of \$117.7m and record cash inflows of \$152.1m.
- Funds Under Administration ("FUA") increase of 122% from \$384.6m at 30 June 2013 to \$853.8m at 30 June 2014.
- Positive Gross Profit<sup>2</sup> since March 2014.
- Cash and cash equivalents of \$13.8m (as at 30 June 2014 unaudited).
- 31 new advisers joined the platform during the quarter.



Andrew Alcock affirmed that HUB24's strategy is delivering business improvements and scale efficiencies by –

- Leveraging existing advisers and their clients.
- Securing new dealer groups and white label arrangements.
- Continuing to invest in its platform technology and accelerate the transition of FUA.

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

<sup>2</sup> Profit from platform revenue after direct platform costs (including direct headcount costs) as disclosed in HUB24's statutory accounts.



“This continued investment in technology, FUA transition and operational efficiency has materialised in positive Gross Profit for the quarter”, continued Andrew Alcock. “HUB24’s platform technology offers the most extensive managed portfolio functionality and range of managed portfolio offerings offered through a full featured wrap platform in the market today.”

“It is this technology which has seen HUB24 to be viewed by a growing number of advisers as one of the most compelling platform offerings for their clients and by independent market research<sup>3</sup> to be amongst the top 5 platforms in the country.”

This approach is succeeding as evidenced by –

- Monthly average net inflows increasing from \$19m in FY13 to \$32.8m in FY14 (\$41.7m average net inflows since March '14).
- Continuing improvement in Investment Trends Platform Benchmarking Report survey whereby HUB24 is now ranked in the Top 5 platforms in the country in terms of functionality amongst long established players.
- Positive Gross Profit has been recorded for the quarter whereby revenues are now exceeding direct costs (including direct headcount).
- Growth in the number of advisers using the platform together with growth in FUA and number of client accounts per adviser indicating increasing adviser engagement.

Platform statistics[1]	JUN '14	MAR '14	DEC '13	SEPT'13	JUN '13	TTM**
<b>FUA - total</b>	\$853.8m	\$730.2m	\$618.9m	\$527.5m	\$384.6m	122.0%
<b>Net Fund Inflows (Qtr) *</b>	\$117.7m	\$108.7m	\$60.8m	\$106.5m	\$56.7m	107.6%
<b>Cash inflows (Qtr)</b>	\$152.1m	\$113.0m	\$79.2m	\$92.4m	\$49.9m	204.8%
<b>Number of Advisers</b>	345	314	307	278	236	46.2%

\* A one-off, non-recurring outflow of \$20m in June contributed to the variance between cash inflows and netflows for the June '14 quarter.

\*\*TTM - Trailing 12 months

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

Cash and cash equivalents remain strong at \$13.8m as at 30 June 2014 (unaudited) with no debt. This cash position provides a firm base for HUB24 to fund its operations and deliver the HUB24 platform to our clients.

During the quarter ended 30 June 2014 HUB24 announced to the market that from 1 July 2014 it is required to hold 0.5% of the value of IDPS FUA in Net Tangible Assets (“NTA”) up to a maximum of \$5 million. Of HUB24’s current \$853.8 million of FUA, IDPS assets comprise \$483.5 million resulting in a NTA requirement of \$2.42 million.

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<sup>3</sup> Investment Trends December 2013 Platform Benchmarking Report, based on extensive analyst reviews of 25 platforms across 454 functional points.



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#### Notes to the Editor

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 which supports the achievement of superior superannuation and investment outcomes for investors. HUB24 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, nor does it operate its own financial advice channel. 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)