

5 April 2017

CLASS LIMITED (CL1) ASX ANNOUNCEMENT

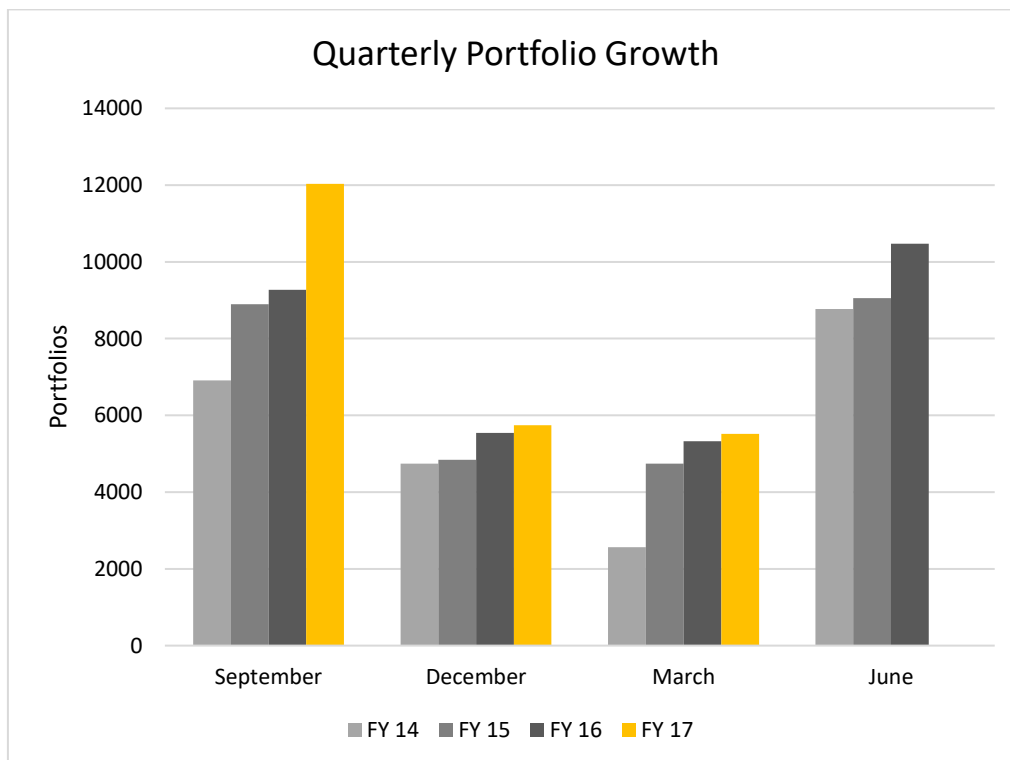
QUARTERLY SHAREHOLDER UPDATE

Welcome shareholders to our update for the quarter ending 31 March 2017.

This quarter saw continued portfolio growth, and finalisation of the Super Reform regulations. During the quarter, Class also launched the industry's first mobile app, which offers SMSF trustees and other investors access to a detailed, up to date overview of their investment portfolios via Apple and Android phones.

Total Portfolio Growth

- Over the period portfolios increased by **5,520 to 135,736** - a record increase for the March quarter.
- Total portfolios include **132,873** SMSFs on Class Super and **2,863** investment portfolios on the Class Portfolio product.



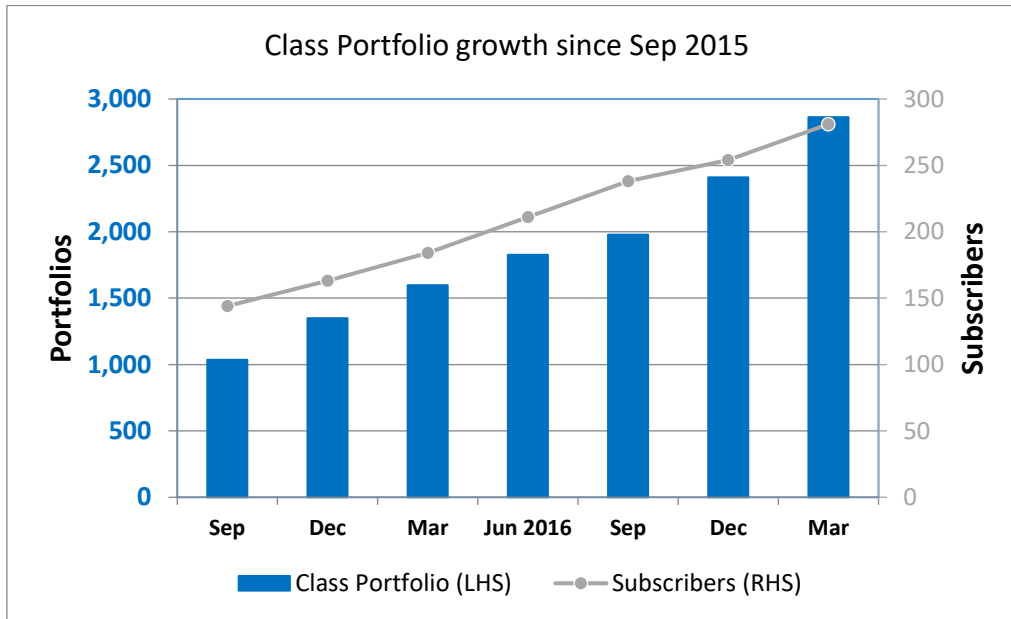
- These portfolios are administered by **1,078** subscriber businesses.

Class Super Growth

- Over the quarter, the number of SMSFs on Class Super increased by **5,067** to **132,873**, taking our market share to **22.4%** of the estimated **593,000** SMSFs.
- The **4.0%** increase in Class SMSFs compares with an estimated industry growth rate of **1.3%** over the same period.
- Established Class users continued to win market share away from their peers who use less effective systems and contributed **30%** of SMSFs added over the period.
- The strong growth within the current subscriber base, underlying industry growth and new subscriber wins from obsolete desktop systems continue to power Class growth.
- Super legislation changes, especially the need for real time reporting, are driving increased interest in system automation given that accountants using end-of-life desktop systems and Excel will not be able to meet the new requirements.

Class Portfolio Growth

- Class Portfolio continues to grow with **453** new investment portfolios added this quarter, a **19%** increase over the period.





- 26%** of Class subscribers are now using Class Portfolio and the average number of portfolios per subscriber increased from **9.5** to **10.2** over the period.


Class SMSF Benchmark Data

Class will release its March 2017 *SMSF Benchmark Report* in April. You can [register](#) to receive this report and request previous reports from the class.com.au website. Key metrics for March 2017 are:


58 **1,074** **124**

 Median number of SMSFs per practice

 Number of Class Super subscriber practices

 Average number of SMSFs per practice

1.9

 Average number of members per fund

\$172^b

 Total value of assets administered on Class Super across **132,873** SMSFs

\$1.3^m

 Average SMSF balance **\$683,000**
Average member balance

Quarterly Dividend

Class expects to pay the next quarterly dividend on 12 May 2017.

Thanks for your continued support of Class.



Kevin Bungard, CEO
Class Limited

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