



Blue Sky Alternative Investments Limited

2017 ANNUAL GENERAL MEETING

Private Equity | Private Real Estate | Real Assets | Hedge Funds

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Figures presented throughout this presentation are in Australian dollars (unless otherwise noted) and may not add precisely due to rounding.

Non-IFRS information:

This presentation contains certain non-IFRS financial information. The directors of Blue Sky believe the presentation of certain non-IFRS financial information is useful for users of this presentation as they reflect the underlying financial performance of the business. The non-IFRS financial information includes Blue Sky's underlying Statement of Financial Position, Statement of Comprehensive Income and Statement of Cash Flow (collectively, the 'underlying results'). These underlying results are presented with all equity held by Blue Sky in the funds that it manages being accounted for at fair value using the same approach as *AASB 13 – Fair Value Measurement*. This differs from Blue Sky's statutory results where a range of Blue Sky's equity holdings in the funds that it manages are either consolidated or equity accounted as required by *AASB 10 – Consolidated Financial Statements*.

The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young).

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In FY17, earnings grew by 56% to \$25.5 million and fee-earning AUM reached \$3.25 billion

Financial performance:

- Underlying net profit after tax ('NPAT') grew 56% to \$25.5 million
- Underlying revenue grew 35% to \$85.0 million
- EBITDA margins expanded to 46% (FY16: 39%)
- Underlying operating cash flow grew 70% to \$19.5 million
- Declared 23 cents per share ('cps') fully franked dividend, up 44% from 16 cps in FY16

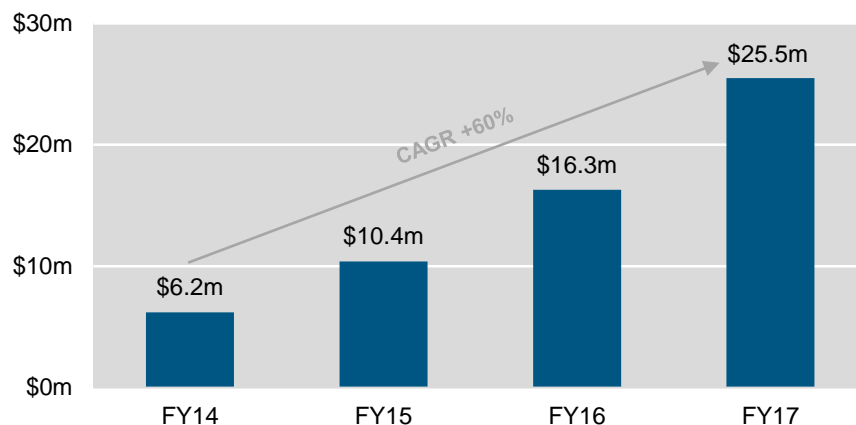
Investment performance:

- Investment track record at 30 June 2017 was 15.9% p.a. net of fees since inception^{1,2}
- Delivered 13 realisations over FY17 with an average return on equity of 66% (net of fees)^{1,3}
 - Total of 38 investments have been realised since inception, with 33 realised at or above carrying value¹

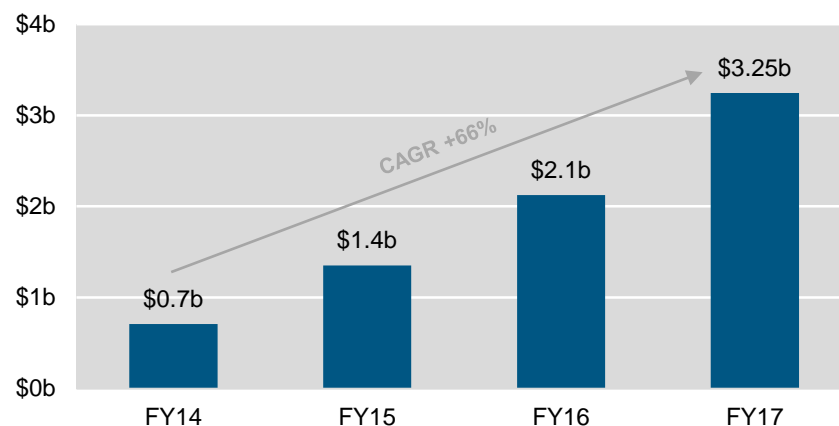
Fee-earning assets under management ('AUM'):

- Fee-earning AUM grew 55% to \$3.25 billion at 30 June 2017, up from \$2.1 billion at 30 June 2016
- Secured new institutional mandates in Private Equity, Private Real Estate and Real Assets

Underlying NPAT



Fee-earning AUM



1. Past performance is not a reliable indicator of future performance.
 2. Refer to slide 9 for further details.
 3. Average return on equity of 66% (net of fees) is equity weighted.







In FY18, momentum has continued and we expect underlying NPAT to be \$34 - \$36 million

- **Underlying NPAT guidance for FY18 of \$34 - \$36 million**
- **Fee-earning AUM:**
 - \$3.4 billion at 30 September 2017
 - Expected to be between \$4.0 - \$4.5 billion by the end of FY18
 - Anticipated to exceed \$5.0 billion by the end of FY19
- **Growing pipeline of investment opportunities across Private Equity, Private Real Estate and Real Assets**
- **Since 30 June 2017, we have been awarded multiple new institutional mandates:**
 - Private Real Estate: Awarded mandate from Asian institution to fund up to 50% of new retirement investments
 - Real Assets: Awarded five year, closed-ended mandate from an offshore institution to invest in water entitlements¹
 - Hedge Funds: Awarded mandate from North American institution into Dynamic Macro fund
 - Now managing investments on behalf of fifteen institutions (local and offshore)
- **Growth in demand from sophisticated and retail investors**
 - The Blue Sky Alternatives Access Fund Limited (ASX:BAF) ('BAF' or the 'Alternatives Fund') recently launched a 1 for 4 entitlement offer to raise up to approximately \$49 million
 - The Alternatives Fund will be a ~\$235 million listed investment company assuming the successful completion of this offer²

1. Subject to approval of the Foreign Investment Review Board.

2. Reflects the Alternatives Fund's pro-forma, post-offer net asset value as at 30 September 2017.

We delivered our key priorities for FY17

What we said we'd do	What we delivered
 <p>Maintain our investment track record of >15% p.a. net of fees since inception</p>	 <p>Returns of 15.9% p.a. net of fees over the eleven years since inception through to 30 June 2017¹</p>
 <p>Grow fee-earning AUM to exceed \$3 billion by 30 June 2017</p>	 <p>Fee-earning AUM of \$3.25 billion at 30 June 2017</p>
 <p>Deliver on our FY17 earnings guidance of underlying NPAT of \$24 - \$26 million</p>	 <p>Underlying FY17 NPAT was \$25.5 million</p>

1. Past performance is not a reliable indicator of future performance. Refer to slide 9 for further details.

We have three key priorities for FY18

1. Maintain our investment track record of >15% p.a. net of fees since inception¹
2. Grow fee-earning AUM to \$4.0 - \$4.5 billion by 30 June 2018
3. Deliver on our FY18 earnings guidance – i.e. underlying NPAT of \$34 - \$36 million

1. Past performance is not a reliable indicator of future performance.

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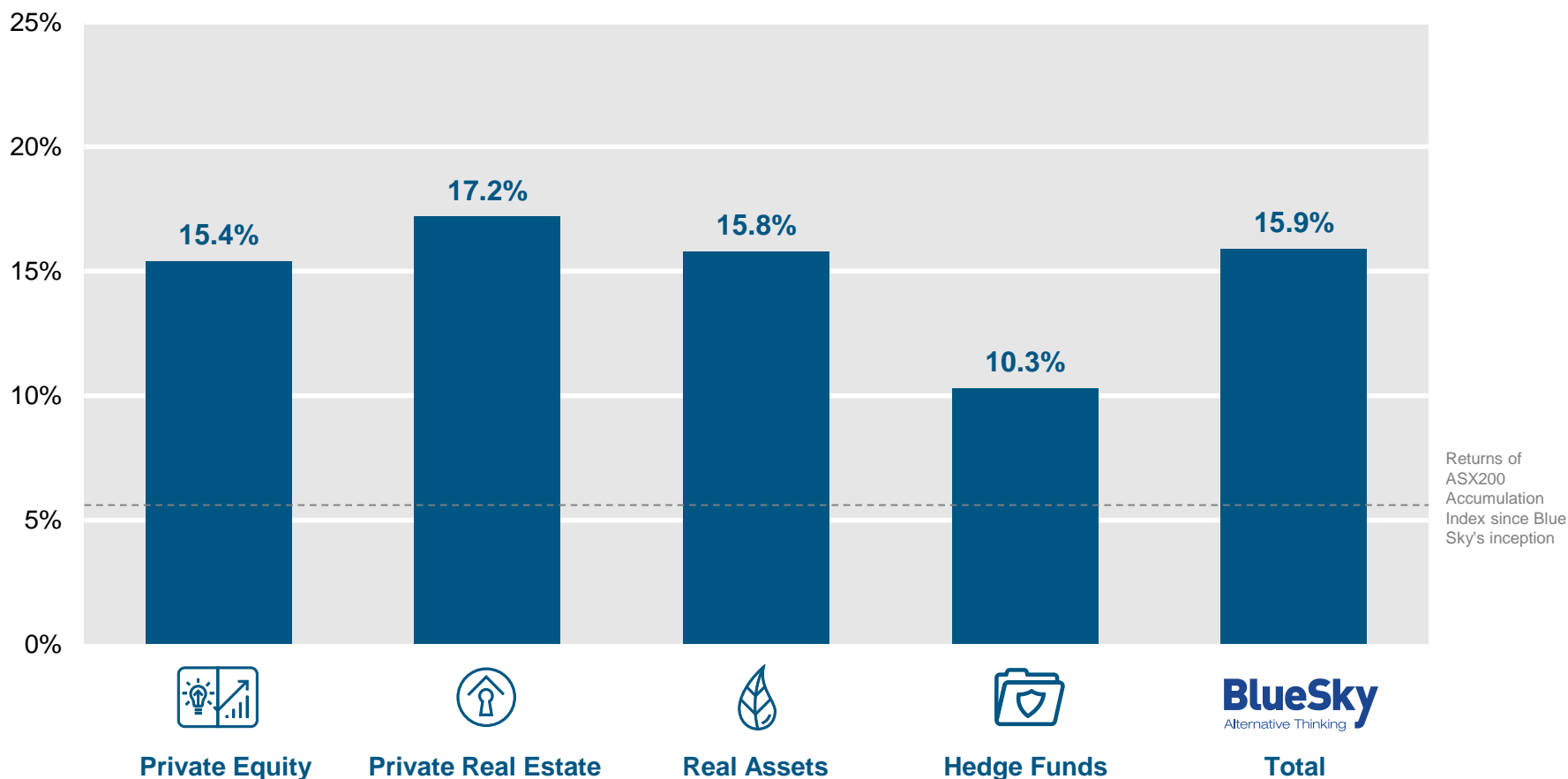
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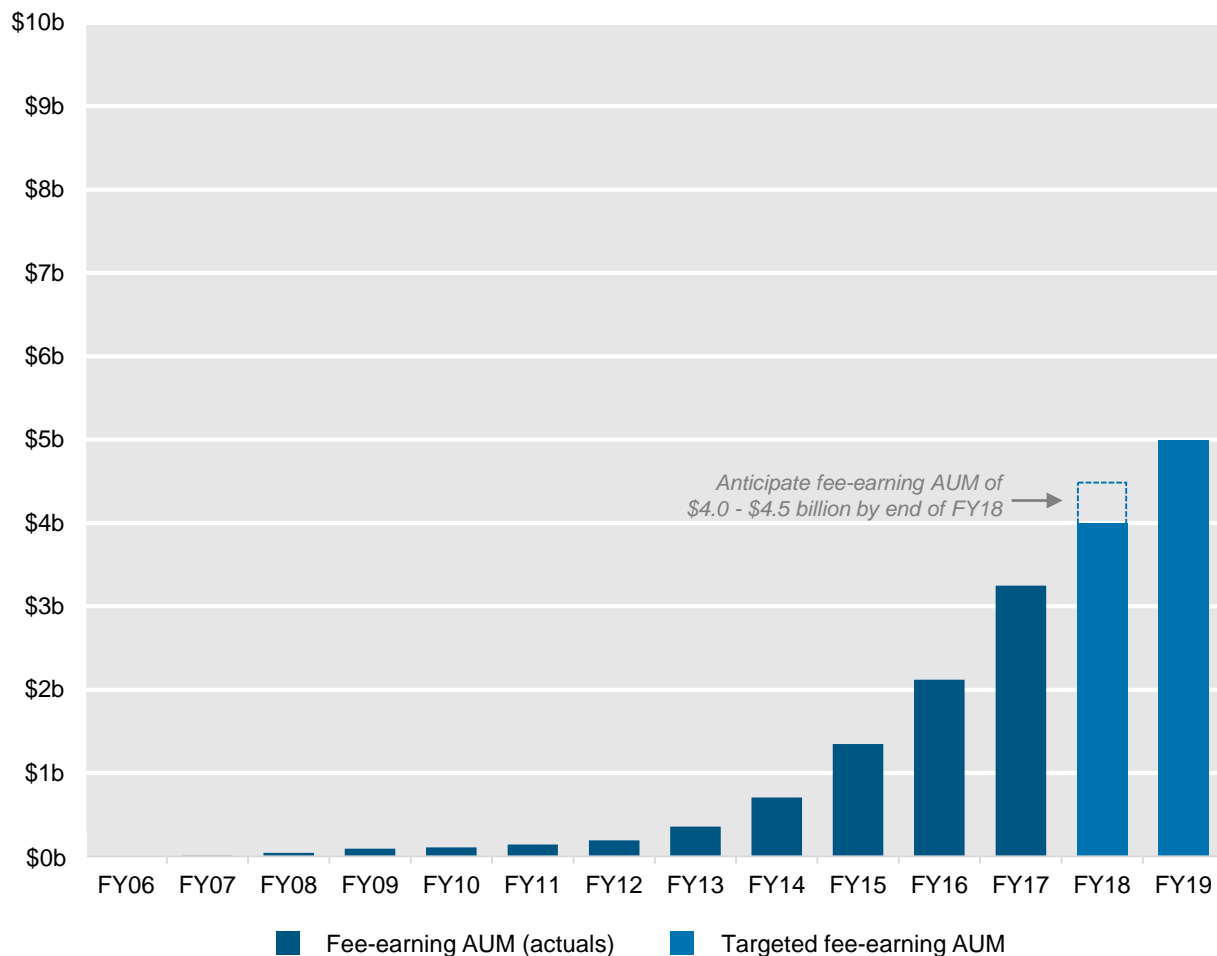
Investor returns: 15.9% p.a. net of fees since inception¹

Investor returns from inception through to 30 June 2017



1. Investor returns are equity-weighted returns since inception through to 30 June 2017. Returns are net of fees (and before tax) and include both realised and unrealised investments for all investment strategies originated and managed by Blue Sky. Returns exclude funds where there has been no change in the value of the investment (i.e. recent investments). Past performance is not a reliable indicator of future performance.

Fee-earning assets under management



- On track to have \$4.0 - \$4.5 billion in fee-earning AUM by end of FY18
- On track to exceed \$5.0 billion in fee-earning AUM by end of FY19
- Fee-earning AUM does not include AUM related to mandates that have been awarded, but are not yet deployed (and are not yet fee-earning)

Our investments are concentrated on opportunities in private markets, with a focus on “the essentials”

Examples:



FOOD AND WATER

- Blue Sky Water Fund
- Eight investments into agricultural assets
- Six private equity investments into food related businesses



EDUCATION

- Student accommodation in Australia
- Student accommodation in the United States
- Two private equity investments into education businesses



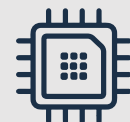
CARE

HEALTHCARE

- Four private equity investments

RETIREMENT

- Five retirement living villages under development with Aura



TECHNOLOGY

- Eight private equity investments (primarily late-stage venture capital investments) into technology based businesses



PRIVATE EQUITY

AWARD WINNING PERFORMANCE

- Pet Circle won the 2017 AVCAL award for 'Australia's Best Early Stage Investment' (following Hatchtech win in 2016)
- HPS won '2017 Exit of the Year' at the Australian Growth Company Awards in October 2017

VENTURE CAPITAL – Deploying new mandates

- Have begun deployment of the 15 year, \$50 million mandate awarded by the South Australian Government in FY17
- Reached first close of late-stage venture capital fund during FY17 and anticipate final close of ~\$100 million by June 2018

NEW DEAL FLOW – Proprietary and growing

- Recently completed new deals in the food, healthcare and technology sectors. Referrals from our investor base are a key source of proprietary deal flow
- Opportunity set is large: Australia's economy has over 50,000 actively trading SME businesses (with 20 – 199 employees).¹ Blue Sky reviewed over 1,000 potential deals during FY17

LIMITED USE OF DEBT

- Investment focus is growth capital and late-stage venture capital, not leveraged buy-outs. Majority of Blue Sky's Private Equity investments have no core debt

PRIVATE REAL ESTATE

STUDENT ACCOMMODATION

- Scale portfolio: Current portfolio of 5,200+ beds across nine sites in Australia
- Yield: First two sites are operational and paying a yield to fund investors in line with investment case (10%+ p.a.)²
- Expansion: Will continue to seek opportunities to scale portfolio across Australia and New Zealand

RETIREMENT

- Scale portfolio: Current portfolio of 750+ independent living units in development across five sites in Australia
- Expansion: Will continue to seek retirement village development opportunities in Australia

RESIDENTIAL DEVELOPMENTS

- Settlements underway at 'The Duke' at Kangaroo Point, Brisbane. Anticipate delivering fund investors a return on equity of ~40% (net of fees)
- Remaining development sites in south-east Queensland represent approximately 5% of Blue Sky's fee-earning AUM

1. Australian Bureau of Statistics, 8165.0 Counts of Australian Businesses, including Entries and Exits, Jun 2012 to Jun 2016, released 21 February 2017.

2. Past performance is not a reliable indicator of future performance.

REAL ASSETS

WATER ENTITLEMENTS

- Deploying mandates: Continuing to deploy mandates across multiple water entitlement markets and multiple regions in the Murray-Darling Basin
- Market for water entitlements has firmed in 1Q FY18, with Blue Sky's water fund up 6.3% in 1Q FY18 (and 16.4% p.a. since inception (net of fees))¹

STRATEGIC AGRICULTURE FUND

- First close of Strategic Australian Agriculture Fund reached during FY17 and have commenced deployment
- Final close anticipated during FY18 with \$300+ million expected to be committed to this strategy from a range of local and international institutions

INSTITUTIONAL INVESTMENT

- Institutional pipeline growing: Multiple institutions currently in due diligence in relation to other potential investment opportunities in the agriculture sector

NORTH AMERICA

COVE PROPERTY GROUP ('COVE')

- Cove's first two investments - '101 Greenwich St' (formerly 2 Rector St) and 'Hudson Commons' (at 441 Ninth Avenue) - are performing at or ahead of investment case
- Solid pipeline of deals; targeting completion of 1 – 2 new investments in FY18

STUDENT QUARTERS ('SQ')

- Growing portfolio: SQ has agreed to purchase eight student accommodation properties in the US (comprising 850+ beds) and continues to receive income from the management of a portfolio of ~3,800 beds in the US

PRIVATE EQUITY

- Emerging platform with three investments having been made over the last two years. Investment focus is on providing growth capital to rapidly growing North American businesses

CAPITAL RAISING

- Established distribution capability based in New York focused on raising institutional capital into Blue Sky's funds.
- Seven North American based institutions currently invest with Blue Sky (including two institutions investing with Cove)

1. Past performance is not a reliable indicator of future performance.

HEDGE FUNDS

Core strategy ('Dynamic Macro') is a quantitative fund that incorporates a systematic macroeconomic overlay. Dynamic Macro has a 10 year track record of having delivered 8.5% p.a. returns with a -0.46 correlation to the ASX200¹

- **Mandate win:** Recently awarded a ~\$35 million mandate from a US based institutional investor
- **Pipeline:** Multiple offshore investors in due diligence

THE ALTERNATIVES FUND (ASX:BAF)

The Alternatives Fund is a listed investment company that provides investors with exposure to a diverse portfolio of Blue Sky's funds

- **Performance:** Has delivered pre-tax fund performance of 9.8% per annum since inception²
- **Capital raising:** Currently undertaking a 1 for 4 entitlement offer to raise up to ~\$49 million (the Alternatives Fund will be a ~\$235 million listed investment company assuming the successful completion of this offer)³

1. As at 30 September 2017. Inception date is 22 November 2007. Past performance is not a reliable indicator of future performance.
 2. Fund NTA performance to 30 September 2017 which includes growth in pre-tax NTA, plus dividends and franking credits paid. Past performance is not a reliable indicator of future performance.
 3. Reflects the Alternatives Fund's pro-forma, post-offer net asset value as at 30 September 2017.
 4. JLL, PBSA Yields, September 2017.

2018 OUTLOOK

EXPANDING PIPELINE OF INVESTORS

- New institutional investors - both domestic and international - are conducting due diligence across each of our four asset classes
- Our sophisticated and retail investor base continues to both broaden and deepen

INDUSTRY TAILWINDS

Tailwinds exist across multiple sectors in which Blue Sky's funds have invested:

- **Private Real Estate:** Compression in cap rates for student accommodation⁴
- **Real Assets:** Water entitlement prices have increased in 1Q FY18
- **Private Equity:** Increasing inbound interest in Blue Sky's Private Equity investments from corporates seeking growth

CONTINUING TO DELIVER EXITS FOR FUND INVESTORS

On track to deliver 8-10 exits during FY18 across:

- Private Equity
- Private Real Estate
- Real Assets (agriculture)

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FY17 underlying results summary

Underlying results			
	FY16	FY17	Growth (%)
Revenue	\$62.8m	\$85.0m	↑ 35%
EBITDA	\$24.5m	\$38.9m	↑ 59%
EBITDA margin (%)	39.0%	45.8%	n.a.
NPAT	\$16.3m	\$25.5m	↑ 56%
NPAT margin (%)	26.0%	30.0%	n.a.
Operating cash flow	\$11.5m	\$19.5m	↑ 70%
Cash flow conversion ¹	70.6%	76.5%	n.a.
Distributable earnings ²	\$13.1m	\$22.7m	↑ 73%
Net tangible assets ('NTA')	\$133.8m	\$150.6m	↑ 13%
Net cash position	\$55.0m	\$62.2m	↑ 13%
Earnings per share ('EPS')	28.4 cps	37.8 cps	↑ 33%
Dividend per share	16.0 cps	23.0 cps	↑ 44%

1. Cash flow conversion is calculated as underlying operating cash flow divided by underlying NPAT.

2. Distributable earnings is calculated as operating cash flow plus realised gains and profit distributions on balance sheet investments less provisions for income tax.

Note the above financial information reflects Blue Sky's underlying results. Please refer to slides 50-54 of this presentation as well as the Annual Financial Report for an explanation of the difference between the statutory and underlying results. This non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young).

Underlying income statement: Summary

Income:

- 19% increase in management fees driven by the growth in fee-earning AUM
- 19% increase in performance fees reflects solid investment performance, particularly in our Private Equity and Private Real Estate divisions
 - In FY17, performance fees were generated across 37 separate funds and represented ~106 bps of starting fee-earning AUM (FY16: ~139 bps)
- Investment income represents a 14.8% return on the \$51.5 million in balance sheet investments held at the start of FY17
- Share of profit of associates comes from our US joint ventures with Cove and Student Quarters and reflects the maturing of these businesses and the quality of their investments

Expenses:

- Expenses grew modestly - and at a slower rate than revenue - reflecting the benefits of our increased scale
- Growth in expenses largely driven by employee costs which grew by \$5.6 million
 - \$6.8 million (28%) of total employee costs were incentives (including employee share of performance fees) and include \$1.1 million in non-cash expense related to the awarding of options under our employee share option plan ('ESOP')
 - Team grew to 97 full time equivalents ('FTEs') at 30 June 2017

Profitability:

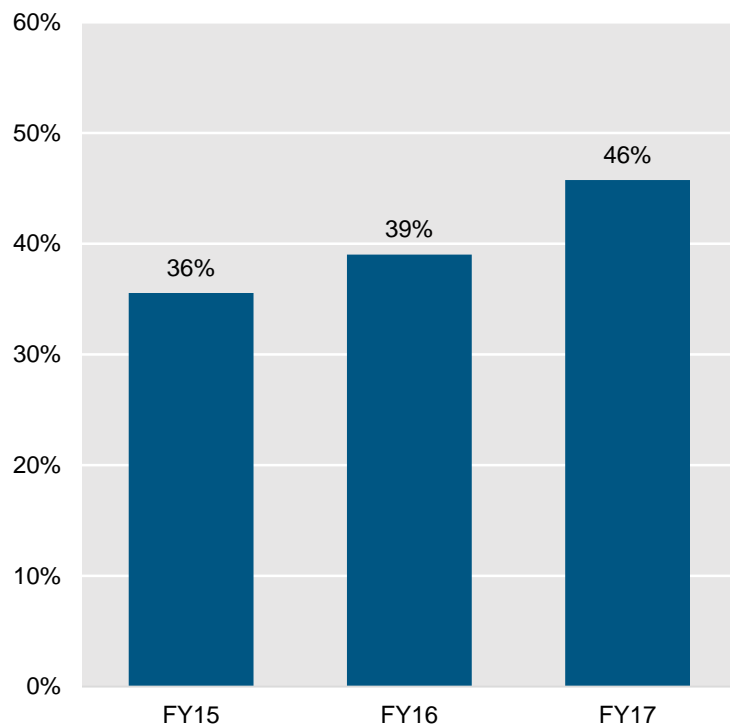
- Underlying NPAT of \$25.5 million, up 56% vs. FY16
- EBITDA margins increased to 46% (FY16: 39%)

<i>In AUD \$m</i>	FY16	FY17
Management fees	\$31.5m	\$37.6m
Performance fees	\$18.7m	\$22.3m
Investment income	\$6.9m	\$7.6m
Share of profit of associates	\$1.1m	\$9.4m
Interest income	\$1.4m	\$4.1m
Other income	\$3.2m	\$4.0m
Total income	\$62.8m	\$85.0m
Employee benefits expense	(\$19.2m)	(\$24.8m)
Occupancy	(\$1.9m)	(\$2.0m)
External service providers	(\$4.2m)	(\$2.7m)
External capital raising expenses	(\$2.1m)	(\$2.4m)
Fee rebates to BSAAF Limited (BAF)	(\$5.6m)	(\$5.9m)
Other operating costs	(\$5.3m)	(\$8.3m)
Total operating costs	(\$38.3m)	(\$46.1m)
EBITDA	\$24.5m	\$38.9m
EBIT	\$24.0m	\$38.5m
Net profit after tax	\$16.3m	\$25.5m

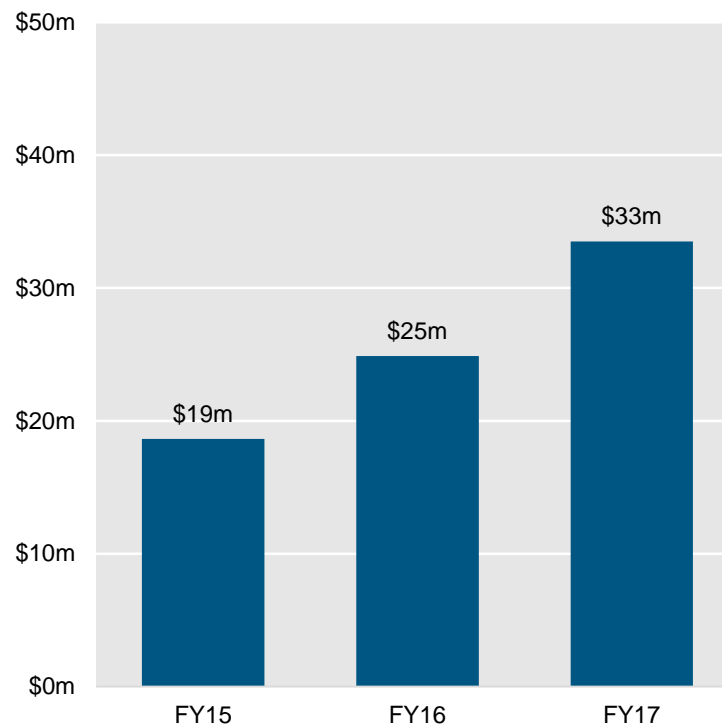
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Underlying income statement: EBITDA margins have expanded as our business has scaled

EBITDA margins



Fee-earning AUM per FTE



We remain on track to grow EBITDA margins to 50% over the medium term

Underlying statement of financial position: Summary (1/2)

Assets:

- Robust balance sheet with \$150.6 million in NTA:
 - Includes a net cash position of \$62.2 million, up from \$55.0 million at 30 June 2016
- \$74.9 million in fund and joint venture investments:
 - \$63.4 million of 'financial assets at fair value through profit and loss' relate to investments made in 27 separate funds and include co-investments made alongside institutional investors
 - \$11.5 million in 'investments accounted for using the equity method' relate to joint ventures in Cove and Student Quarters
- Reduction in current receivables driven by conversion of accrued performance fees into cash as several investments were realised. Current receivables at 30 June 2017 include:
 - \$20.4 million in bridging finance to Blue Sky managed funds (for example, to seed new deals and/or strategies)
 - \$12.8 million in management fees that have been earned and will be paid by funds we manage within the next twelve months
 - \$3.0 million in accrued performance fees
- Non-current receivables includes \$28.8 million in accrued performance fees, \$6.3 million in management fees due to be paid by funds in >12 months, and \$1.8 million in loans to employees to facilitate the investment by team members into Blue Sky funds

<i>In AUD \$m</i>	<i>At 30 Jun 2016</i>	<i>At 30 Jun 2017</i>
Cash	\$62.9m	\$70.6m
Trade and other receivables	\$54.6m	\$38.0m
Other current assets	\$3.9m	\$4.6m
Total current assets	\$121.4m	\$113.2m
Investments accounted for using the equity method	\$1.7m	\$11.5m
Financial assets at fair value through profit and loss	\$51.5m	\$63.4m
Trade and other receivables	\$21.1m	\$52.8m
Property, plant and equipment	\$3.7m	\$3.2m
Intangible assets	\$5.6m	\$5.6m
Other non-current assets	\$0.1m	-
Total non-current assets	\$83.7m	\$136.5m
Total assets	\$205.1m	\$249.7m
Trade and other payables	\$19.8m	\$36.6m
Borrowings	\$7.9m	\$8.4m
Other current liabilities	\$10.3m	\$14.0m
Total current liabilities	\$38.0m	\$59.0m
Borrowings	-	-
Other non-current liabilities	\$27.7m	\$34.5m
Total non-current liabilities	\$27.7m	\$34.5m
Total liabilities	\$65.7m	\$93.5m
Net assets	\$139.4m	\$156.2m
Net tangible assets	\$133.8m	\$150.6m

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Underlying statement of financial position: Summary (2/2)

Liabilities:

- Increase in trade and other payables driven by capital that is committed to be invested as alignment capital alongside institutional mandates into funds that we manage
 - \$17.4 million in commitments made
 - Anticipate commitments will be drawn down over a multi-year period as capital calls are made
- Debt drawn to \$7.9 million, with undrawn facilities of \$12.1 million
- Other current liabilities include accrued employee benefits expenses of \$4.3 million
 - Includes accrued expenses associated with current performance fees payable to employees
- Other non-current liabilities include:
 - Deferred tax liabilities of \$16.2 million
 - \$4.2 million in accrued expenses associated with non-current performance fees payable to employees
 - \$3.3 million in performance fee rebates payable to the Alternatives Fund (i.e. for funds that are not anticipated to be realised within the next 12 months)

<i>In AUD \$m</i>	At 30 Jun 2016	At 30 Jun 2017
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Underlying statement of financial position: Our balance sheet has \$2.22 per share in NTA

Net tangible assets per share as at 30 June 2017



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Underlying cash flow statement: Summary

Cash flow from operating activities:

- Operating cash flow of \$19.5 million, up from \$11.5 million in FY16
- Cash flow conversion grew to 76.5% (from 70.6% in FY16)¹

Cash flow from investing activities:

- Payments for equity investments reflect investments made (e.g. as alignment capital alongside institutional mandates)
 - Anticipate further co-investments into Blue Sky managed funds in FY18 as institutional mandates are deployed and as further institutional mandates are awarded
- Proceeds from the disposal of equity investments reflects cash received from balance sheet investments in funds that were realised in FY17

Cash flow from financing activities:

- 23 cps fully franked dividend declared on 14 August 2017 in respect of the FY17 year. Payment date was 11 September 2017
- \$10.8 million in dividends paid reflects 16 cps dividend paid in September 2016 following the FY16 year

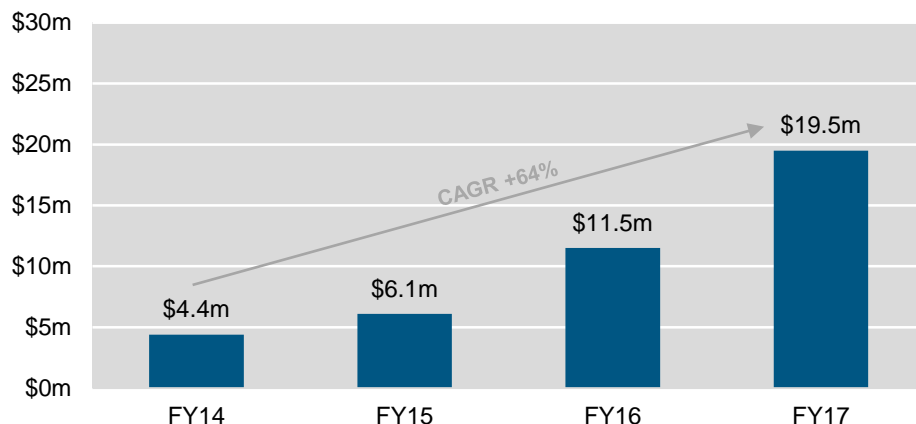
<i>In AUD \$m</i>	FY16	FY17
Receipts from customers	\$52.1m	\$71.6m
Payments to suppliers and employees	(\$38.2m)	(\$49.8m)
Interest received	\$1.2m	\$2.4m
Interest and other finance costs paid	(\$0.7m)	(\$0.9m)
Income taxes paid	(\$2.9m)	(\$3.8m)
Net cash from operating activities	\$11.5m	\$19.5m
Payments for equity investments	(\$14.3m)	(\$12.1m)
Payments for property, plant and equipment	(\$0.8m)	(\$0.1m)
Payments for intangibles	(\$0.1m)	(\$0.2m)
Proceeds from disposal of equity investments	\$7.1m	\$17.7m
Bridging finance and loans to funds	(\$21.4m)	(\$7.5m)
Net cash used in investing activities	(\$29.5m)	(\$2.2m)
Proceeds from issue of shares	\$67.5m	\$1.0m
Share issue transaction costs	(\$2.4m)	(\$0.2m)
Proceeds from borrowings	\$7.6m	\$33.4m
Repayment of borrowings	(\$6.7m)	(\$33.0m)
Dividends paid	(\$6.2m)	(\$10.8m)
Net cash from / (used in) financing activities	\$59.8m	(\$9.6m)
Starting cash balance	\$21.1m	\$62.9m
Ending cash balance	\$62.9m	\$70.6m

1. Calculated as underlying operating cash flow divided by underlying NPAT.

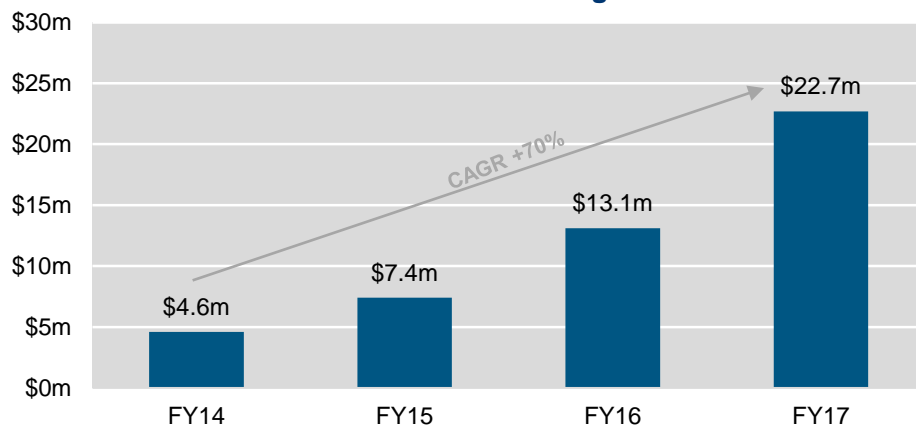
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Underlying cash flow statement: Operating cash flow and distributable earnings continue to grow

Operating Cash Flow



Distributable Earnings



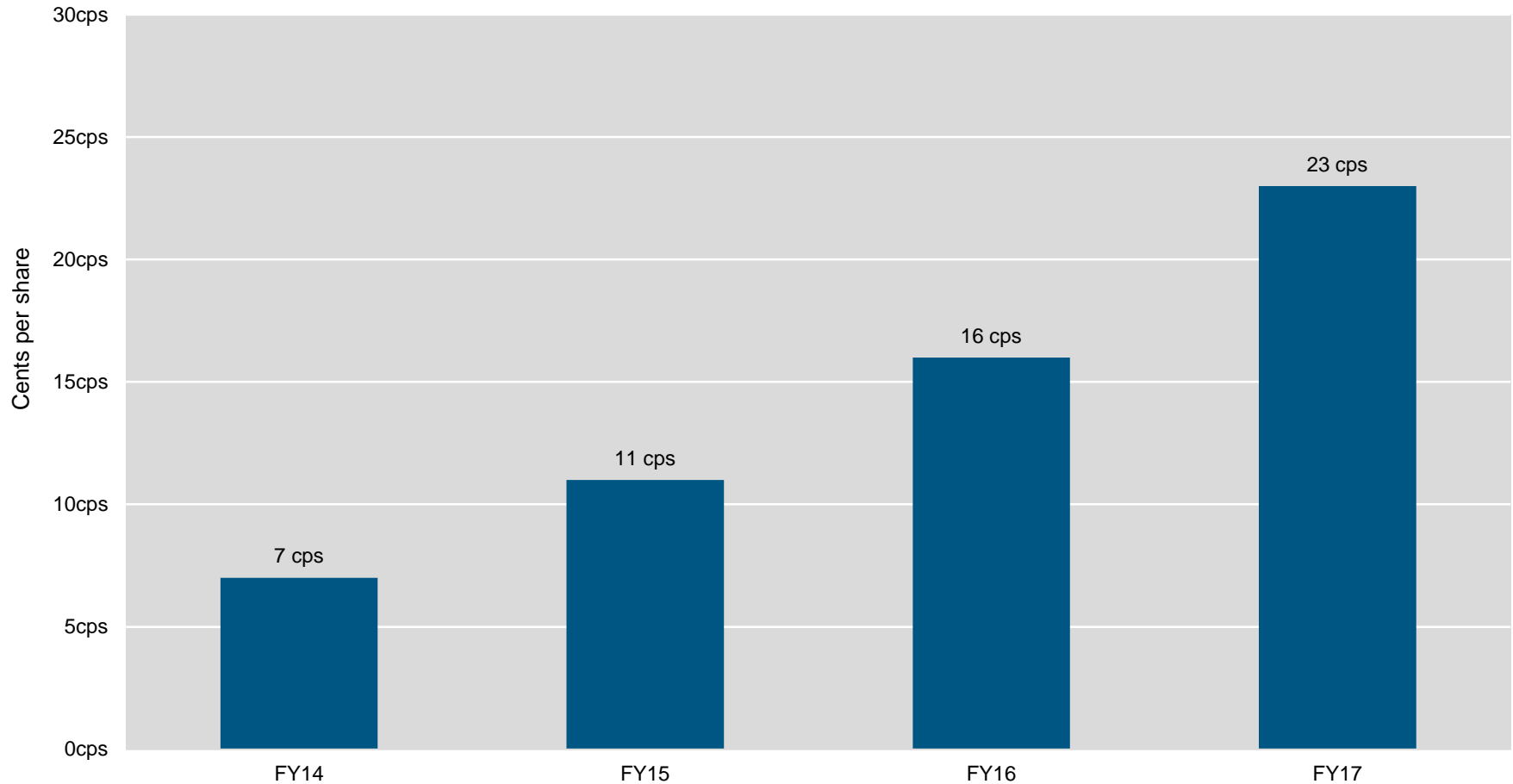
- ‘Distributable earnings’ is a measure of cash flow commonly used by other global alternative asset managers
- Distributable earnings includes net realised gains/losses on balance sheet investments, as well as distributions of profit received from balance sheet investments
 - It is therefore an important measure of the total cash generated by Blue Sky through its operations and fund investments
- Distributable earnings is calculated as:

Operating cash flow	
+ / (-) Net realised gains / (losses) on investments	
+ Cash distributions of profit from investments	
- Tax impact of realised gains and distributions	
=	Distributable earnings

Note the above financial information reflects Blue Sky's underlying results. Please refer to slides 50-54 of this presentation as well as the Annual Financial Report for an explanation of the difference between the statutory and underlying results. This non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young).

23 cps dividend was declared, up 44% vs FY16

Dividend per share



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Momentum has continued into FY18, underpinned by the long term structural shift to alternatives

- **The multi-decade, structural shift to alternatives continues to support our growth**
 - Australia's funds management market is large (\$2.9 trillion) and growing (9.5% p.a. over the last five years)¹
 - Allocations to alternatives in Australia have risen from 5% in 1997 to 19% in 2016¹
 - As Australia's only diversified alternative asset manager listed on the ASX, Blue Sky is uniquely placed to benefit from this structural shift to alternatives
- **We are on track to hit \$4.0 - \$4.5 billion in fee-earning AUM by FY18 and are on track to exceed our target of \$5.0 billion by FY19**
 - In FY18, we have been awarded new institutional mandates in three asset classes and anticipate additional institutional mandates over the remainder of the year
 - Capacity exists within our existing asset classes to exceed our longer term target of \$10.0 billion in fee-earning AUM
- **Deal pipeline is strong across Private Equity, Private Real Estate and Real Assets**
- **Underlying NPAT guidance for FY18 of \$34 - \$36 million**

1. Rainmaker Roundup – Volume 20 Number 3 (September Quarter 2016).

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RESOLUTION 1

Adoption of the Remuneration Report

Resolution 1 seeks approval:

“THAT the Company’s Remuneration Report for the financial year ended 30 June 2017 be adopted.”

RESOLUTION 1

Adoption of the Remuneration Report

Resolution 1 seeks approval:

“THAT the Company’s Remuneration Report for the financial year ended 30 June 2017 be adopted.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 2a

Re-election of Directors

Resolution 2a seeks approval:

“THAT Tim Wilson, who retires by rotation under rule 48 of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

RESOLUTION 2a

Re-election of Directors

Resolution 2a seeks approval:

“THAT Tim Wilson, who retires by rotation under rule 48 of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 2b

Re-election of Directors

Resolution 2b seeks approval:

“THAT Alexander McNab, who retires by rotation under rule 48 of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

RESOLUTION 2b

Re-election of Directors

Resolution 2b seeks approval:

“THAT Alexander McNab, who retires by rotation under rule 48 of the Company’s Constitution, and being eligible, be re-elected as a Director of the Company.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 2c

Re-election of Directors

Resolution 2c seeks approval:

“THAT Philip Hennessy, who was appointed a Director by the Board on 17 February 2017 and will retire at the close of the Meeting in accordance with rule 47.2 of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.”

RESOLUTION 2c

Re-election of Directors

Resolution 2c seeks approval:

“THAT Philip Hennessy, who was appointed a Director by the Board on 17 February 2017 and will retire at the close of the Meeting in accordance with rule 47.2 of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 2d

Re-election of Directors

Resolution 2d seeks approval:

“THAT Michael Gordon, who was appointed a Director by the Board on 17 February 2017 and will retire at the close of the Meeting in accordance with rule 47.2 of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.”

RESOLUTION 2d

Re-election of Directors

Resolution 2d seeks approval:

“THAT Michael Gordon, who was appointed a Director by the Board on 17 February 2017 and will retire at the close of the Meeting in accordance with rule 47.2 of the Company’s Constitution, being eligible, be re-elected as a Director of the Company.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 3

Increase to Non-Executive Directors' fee pool

Resolution 3 seeks approval:

“THAT pursuant to and in accordance with ASX Listing Rule 10.17 and for all other purposes, the maximum aggregate amount of Directors' fees payable to Non-Executive Directors be increased by \$700,000 from \$300,000 to \$1,000,000.”

RESOLUTION 3

Increase to Non-Executive Directors' fee pool

Resolution 3 seeks approval:

"THAT pursuant to and in accordance with ASX Listing Rule 10.17 and for all other purposes, the maximum aggregate amount of Directors' fees payable to Non-Executive Directors be increased by \$700,000 from \$300,000 to \$1,000,000."

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 4

Approval of issue of options to Elaine Stead

Resolution 4 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the issue of 250,000 options to Elaine Stead under the Company’s ESOP and on the terms summarised in the Explanatory Memorandum.”

RESOLUTION 4

Approval of issue of options to Elaine Stead

Resolution 4 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the issue of 250,000 options to Elaine Stead under the Company’s ESOP and on the terms summarised in the Explanatory Memorandum.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 5

Approval of issue of options to Nicholas Dignam

Resolution 5 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the issue of 250,000 options to Nicholas Dignam under the Company’s ESOP and on the terms summarised in the Explanatory Memorandum.”

RESOLUTION 5

Approval of issue of options to Nicholas Dignam

Resolution 5 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the issue of 250,000 options to Nicholas Dignam under the Company’s ESOP and on the terms summarised in the Explanatory Memorandum.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 6

Approval of grant of share acquisition rights to Philip Hennessy

Resolution 6 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the Company to grant to the Company’s Non-Executive Director, Philip Hennessy, share acquisition rights under the Company’s Sacrifice Share Acquisition Plan (‘SSAP’) and on the terms summarised in the Explanatory Memorandum.”

RESOLUTION 6

Approval of grant of share acquisition rights to Philip Hennessy

Resolution 6 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the Company to grant to the Company’s Non-Executive Director, Philip Hennessy, share acquisition rights under the Company’s SSAP and on the terms summarised in the Explanatory Memorandum.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

RESOLUTION 7

Approval of grant of share acquisition rights to Michael Gordon

Resolution 7 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the Company to grant to the Company’s Non-Executive Director, Michael Gordon, share acquisition rights under the Company’s SSAP and on the terms summarised in the Explanatory Memorandum.”

RESOLUTION 7

Approval of grant of share acquisition rights to Michael Gordon

Resolution 7 seeks approval:

“THAT approval be given under ASX Listing Rule 10.14 for the Company to grant to the Company’s Non-Executive Director, Michael Gordon, share acquisition rights under the Company’s SSAP and on the terms summarised in the Explanatory Memorandum.”

	Proxies Received		
	For	Against	Open
# of shareholders			
# of votes cast			
% of votes able to be cast			

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Our business: An overview

Blue Sky Alternative Investments Limited (ASX: BLA)

Australia's leading diversified alternative asset manager, offering investment opportunities across the four major alternative asset classes



Blue Sky manages a portfolio of 72 separate funds across the four alternative asset classes



Private Equity

- Invests **growth capital** and **late stage venture capital** into established and rapidly growing businesses
- Currently managing investments in **30 businesses**

15.4% p.a.



Private Real Estate

- Focused in Australia on **student accommodation** and **retirement living**
- Own 38% of **Cove Property Group**, a NY based owner and operator of institutional grade commercial property

17.2% p.a.



Real Assets

- **Water entitlements**
- Change of use agricultural investments (i.e. **growth capital into agriculture**)
- **Agricultural infrastructure**

15.8% p.a.



Hedge Funds

- Manage **three separate hedge fund products**
- Focused on **strategic risk allocation**

10.3% p.a.

Returns since inception (net of fees)¹

1. Investor returns are equity-weighted returns since inception through to 30 June 2017. Returns are net of fees (and before tax) and include both realised and unrealised investments for all investment strategies originated and managed by Blue Sky. Returns exclude funds where there has been no change in the value of the investment (i.e. recent investments). Past performance is not a reliable indicator of future performance.

Statutory vs. underlying accounts (1/2): Overview

What is the difference between Blue Sky's statutory and underlying accounts?

- Blue Sky invests from its balance sheet for strategic reasons into a range of the funds it manages, typically as alignment capital alongside institutional investors
 - e.g. Blue Sky invests 5% into all new student accommodation funds alongside Goldman Sachs
- Blue Sky has also made several balance sheet investments into joint ventures (e.g. Cove Property Group, Student Quarters) and operational businesses that are related to funds that we manage (e.g. Atira, the operator of our Australian student accommodation assets)
- **Statutory accounts:** *AASB 10 – Consolidated Financial Statements* requires that, for funds in which Blue Sky has invested, these are accounted for either on a consolidated basis or using equity accounting (depending on the level of control). This accounting treatment has a range of impacts, including:
 - Management, performance and other fees that are earned by Blue Sky on funds in which Blue Sky has invested are eliminated upon consolidation and therefore do not appear in our statutory accounts;
 - Assets and liabilities held by funds that are consolidated appear on the Consolidated Group's Statement of Financial Position, and the fair value of the units held by Blue Sky in those funds is eliminated; and
 - For funds that are accounted for using the equity accounting method, a share of the period's profit or loss – rather than the fair value of the units held by Blue Sky in those funds – appears in the consolidated results of the Group
- **Underlying accounts:** Blue Sky's underlying accounts are prepared on exactly the same basis as its statutory accounts, with the only difference being that Blue Sky's fund investments are accounted for using the same approach as *AASB 13 – Fair Value Measurement*. This means that:
 - All management, performance or other fees earned by Blue Sky are reflected in our underlying accounts
 - All investments in our funds are reflected in our underlying accounts at fair value
 - No profit and loss, balance sheet and cash flow items from the funds we manage are consolidated
 - Note: Balance sheet investments into joint ventures (e.g. Cove Property Group, Student Quarters) are accounted for in exactly the same way under our statutory and underlying accounts

Does Blue Sky's audit include its underlying accounts?

- Ernst & Young audits our statutory accounts and reviews our underlying accounts

Do other alternative asset managers present underlying accounts?

- Yes. This accounting standard has the same impact described above on all alternative asset managers globally (for those that invest in their funds) and Blue Sky's approach is based on the approach adopted by these global asset managers

Statutory vs. underlying accounts (2/2): Accounting treatment for balance sheet investments

Statutory results			
Accounting basis:	Fair value accounting	Equity accounting	Consolidated
Used when:	<ul style="list-style-type: none"> Balance sheet investments where Blue Sky is deemed not to have any control or influence over its investment 	<ul style="list-style-type: none"> Balance sheet investments where Blue Sky is deemed to have influence but not control 	<ul style="list-style-type: none"> Balance sheet investments where Blue Sky is deemed to have control
Number of investments:	<ul style="list-style-type: none"> Nil (Blue Sky, in its role as investment manager, is deemed to have control or influence over all of its investments) 	<ul style="list-style-type: none"> Thirty 	<ul style="list-style-type: none"> Four
Examples:	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> Student accommodation funds Atira (an operator of student accommodation in Australia. Blue Sky owns 50% of Atira)¹ 	<ul style="list-style-type: none"> Riverside Gardens Trust Aura (an operator of retirement villages in Australia. Blue Sky owns 50% of Aura)
Underlying results			
Accounting basis:	Fair value accounting	Equity accounting	Consolidated
Used when:	<ul style="list-style-type: none"> All balance sheet investments in Blue Sky funds and fund related operating businesses that are intended to be realised in the future 	<ul style="list-style-type: none"> Balance sheet investments that will be held indefinitely where Blue Sky is deemed to have influence, but not control 	<ul style="list-style-type: none"> Balance sheet investments that will be held indefinitely where Blue Sky is deemed to have control
Number of investments:	<ul style="list-style-type: none"> Thirty-two 	<ul style="list-style-type: none"> Two 	<ul style="list-style-type: none"> Nil
Examples:	<ul style="list-style-type: none"> Student accommodation funds Atira (an operator of student accommodation in Australia. Blue Sky owns 50% of Atira)¹ Aura (an operator of retirement villages in Australia. Blue Sky owns 50% of Aura) 	<ul style="list-style-type: none"> Joint venture with Cove Property Group (Blue Sky owns 38% of Cove Property Group) Joint venture with Student Quarters (Blue Sky owns 60% of Student Quarters) 	<ul style="list-style-type: none"> Not applicable

1. Blue Sky's ownership interest in Atira increased from 35% to 50% in July 2017 following the agreement by Goldman Sachs and Blue Sky to buy out the minority shareholders in this business.

Detailed underlying and statutory results: Income statement

In AUD \$m	Underlying Results		Statutory Results	
Income	FY16	FY17	FY16	FY17
Management fees	\$31.5m	\$37.6m	\$31.0m	\$33.4m
Performance fees	\$18.7m	\$22.3m	\$18.7m	\$22.3m
Investment income	\$6.9m	\$7.6m	(\$0.7m)	\$7.2m
Share of profit of associates	\$1.1m	\$9.4m	\$2.8m	\$8.1m
Interest income	\$1.4m	\$4.1m	\$1.5m	\$4.0m
Other income	\$3.2m	\$4.0m	\$17.6m	\$9.4m
Total income	\$62.8m	\$85.0m	\$70.9m	\$84.4m
Employee benefits expense	(\$19.2m)	(\$24.8m)	(\$20.7m)	(\$26.5m)
Occupancy	(\$1.9m)	(\$2.0m)	(\$2.1m)	(\$2.2m)
External service providers	(\$4.2m)	(\$2.7m)	(\$4.5m)	(\$2.9m)
External capital raising expenses	(\$2.1m)	(\$2.4m)	(\$2.1m)	(\$2.4m)
Fee rebates to BSAF Limited (BAF)	(\$5.6m)	(\$5.9m)	(\$5.6m)	(\$5.9m)
Other operating costs	(\$5.3m)	(\$8.3m)	(\$16.6m)	(\$12.1m)
Total operating costs	(\$38.3m)	(\$46.1m)	(\$51.6m)	(\$52.0m)
EBITDA	\$24.5m	\$38.9m	\$19.3m	\$32.4m
EBIT	\$24.0m	\$38.5m	\$17.0m	\$31.0m
Net profit after tax to owners of BSAIL	\$16.3m	\$25.5m	\$11.4m	\$20.6m
Non-controlling interests	-	-	(\$0.9m)	\$0.1m

Commentary on statutory results:

- Statutory results exclude the management fees, performance fees and other fees that have been earned by Blue Sky, as these are eliminated upon consolidation in accordance with AASB 10
- Statutory results include all of the revenue and expenses from funds that have been consolidated, as well as a share of the gain/(loss) of funds that have been equity accounted in accordance with AASB 10
 - The revenue and expenses from the funds that are consolidated are attributable to the fund's unitholders (of which Blue Sky is one), but are not wholly attributable to Blue Sky
- Notwithstanding the above, AASB 10 requires that these funds be consolidated where Blue Sky is deemed to have control, and equity accounted where Blue Sky is deemed to have significant influence

Commentary on underlying results:

- Underlying results exclude all of the revenue and expenses from funds that have been consolidated in the statutory results, as well as the share of gain/(loss) of funds that have been equity accounted in accordance with AASB 10
- Underlying results include the management, performance and other fees earned by Blue Sky from these funds
- The underlying results are therefore more reflective of the economic reality (refer to slide 17 for further details)

Note that the statutory results include the impact of a range of Blue Sky managed funds that have been consolidated or equity accounted following the adoption of AASB 10. The underlying results columns are non-IFRS financial information and are based on all equity held by Blue Sky in funds that it manages being accounted for at fair value using the same approach as outlined in AASB 13. A reconciliation between the Underlying Results and the Statutory Results is provided in the Annual Financial Report which may be downloaded from the ASX's website. The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young).

Detailed underlying and statutory results: Statement of financial position

In AUD \$m	Underlying Results		Statutory Results	
	At 30 June 2016	At 30 June 2017	At 30 June 2016	At 30 June 2017
Cash	\$62.9m	\$70.6m	\$63.8m	\$72.2m
Trade and other receivables	\$54.6m	\$38.0m	\$54.4m	\$38.4m
Other current assets	\$3.9m	\$4.6m	\$6.8m	\$5.1m
Total current assets	\$121.4m	\$113.2m	\$125.0m	\$115.7m
Investments accounted for using the equity method	\$1.7m	\$11.5m	\$35.5m	\$51.6m
Financial assets at fair value through profit and loss	\$51.5m	\$63.4m	-	-
Trade and other receivables	\$21.1m	\$52.8m	\$18.5m	\$48.5m
Property, plant and equipment	\$3.7m	\$3.2m	\$30.1m	\$4.8m
Intangible assets	\$5.6m	\$5.6m	\$18.7m	\$11.0m
Investment property – retirement villages	-	-	-	\$54.9m
Other non-current assets	\$0.1m	-	\$0.6m	\$2.0m
Total non-current assets	\$83.7m	\$136.5m	\$103.4m	\$172.8m
Total assets	\$205.1m	\$249.7m	\$228.4m	\$288.5m
Trade and other payables	\$19.8m	\$36.6m	\$20.9m	\$35.7m
Borrowings	\$7.9m	\$8.4m	\$8.6m	\$16.7m
Resident loans – retirement villages	-	-	-	\$14.9m
Other current liabilities	\$10.3m	\$14.0m	\$10.3m	\$14.8m
Total current liabilities	\$38.0m	\$59.0m	\$39.8m	\$82.1m
Borrowings	-	-	\$9.3m	\$37.2m
Other non-current liabilities	\$27.7m	\$34.5m	\$31.9m	\$27.8m
Total non-current liabilities	\$27.7m	\$34.5m	\$41.2m	\$65.0m
Total liabilities	\$65.7m	\$93.5m	\$81.0m	\$147.1m
Net assets	\$139.4m	\$156.2m	\$147.4m	\$141.4m
Net tangible assets	\$133.8m	\$150.6m	\$128.7m	\$130.4m

Commentary on statutory results:

- Statutory results exclude units that are owned by Blue Sky in funds that are consolidated (as these are eliminated upon consolidation in accordance with AASB 10)
- Statutory results include all of the assets and liabilities of funds and entities that have been consolidated in accordance with AASB 10
 - The assets and liabilities of those funds are attributable to each fund's unitholders (of which Blue Sky is one), but not wholly attributable to Blue Sky (e.g. \$54.9 million of 'investment property')
- Notwithstanding the above, AASB 10 requires that these funds and entities be consolidated where Blue Sky is deemed to have control, and equity accounted where Blue Sky is deemed to have significant influence

Commentary on underlying results:

- Underlying results exclude the assets and liabilities of funds that are consolidated in the statutory results
- Underlying results include all investments made by Blue Sky in funds that it manages at fair value (using the same approach as in AASB 13)
- The underlying results are therefore more reflective of the economic reality (refer to slide 19-20 for further details)

Note that the statutory results include the impact of a range of Blue Sky managed funds that have been consolidated or equity accounted following the adoption of AASB 10. The underlying results columns are non-IFRS financial information and are based on all equity held by Blue Sky in funds that it manages being accounted for at fair value using the same approach as outlined in AASB 13. A reconciliation between the Underlying Results and the Statutory Results is provided in the Annual Financial Report which may be downloaded from the ASX's website. The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young).

Detailed underlying and statutory results: Statement of cash flows

In AUD \$m	Underlying Results		Statutory Results	
	FY16	FY17	FY16	FY17
Receipts from customers	\$52.1m	\$71.6m	\$65.4m	\$65.8m
Payments to suppliers and employees	(\$38.2m)	(\$49.8m)	(\$48.9m)	(\$54.8m)
Interest received	\$1.2m	\$2.4m	\$1.2m	\$2.4m
Interest and other finance costs paid	(\$0.7m)	(\$0.9m)	(\$1.2m)	(\$1.1m)
Income taxes paid	(\$2.9m)	(\$3.8m)	(\$3.3m)	(\$3.9m)
Net cash from operating activities	\$11.5m	\$19.5m	\$13.2m	\$8.4m
Payments for equity investments	(\$14.3m)	(\$12.1m)	(\$14.3m)	(\$11.0m)
Payments for property, plant and equipment	(\$0.8m)	(\$0.1m)	(\$2.3m)	(\$0.4m)
Payments for intangibles	(\$0.1m)	(\$0.2m)	(\$0.1m)	\$0.7m
Payments for investment property	-	-	-	(\$28.3m)
Proceeds from disposal of equity investments	\$7.1m	\$17.7m	\$7.1m	\$27.6m
Bridging finance and loans to funds	(\$21.4m)	(\$7.5m)	(\$20.5m)	(\$7.3m)
Net cash used in investing activities	(\$29.5m)	(\$2.2m)	(\$30.1m)	(\$18.7m)
Proceeds from issue of shares	\$67.5m	\$1.0m	\$67.5m	\$1.0m
Share issue transaction costs	(\$2.4m)	(\$0.2m)	(\$2.4m)	(\$0.2m)
Proceeds from borrowings	\$7.6m	\$33.4m	\$7.7m	\$71.9m
Repayment of borrowings	(\$6.7m)	(\$33.0m)	(\$8.2m)	(\$37.6m)
Dividends paid	(\$6.2m)	(\$10.8m)	(\$6.3m)	(\$16.4m)
Net cash from / (used in) financing activities	\$59.8m	(\$9.6m)	\$58.3m	\$18.7m
Starting cash balance	\$21.1m	\$62.9m	\$22.4m	\$63.8m
Ending cash balance	\$62.9m	\$70.6m	\$63.8m	\$72.2m

Commentary on statutory results:

- Statutory results exclude cash from management fees, performance fees and other fees that have been paid to Blue Sky from funds that are consolidated (as these are eliminated upon consolidation in accordance with AASB 10)
- Statutory results include the cash flows generated within a range of Blue Sky funds that have been consolidated in accordance with AASB 10
 - The cash flows generated within these funds are attributable to each fund's unitholders (of which Blue Sky is one), but are not wholly attributable to Blue Sky
- Notwithstanding the above, AASB10 requires that these funds and entities be consolidated where Blue Sky is deemed to have control, and equity accounted where Blue Sky is deemed to have significant influence

Commentary on underlying results:

- Underlying results exclude the cash flows generated within these funds, but include management fees, performance fees and other fees paid to Blue Sky
- The underlying results are therefore more reflective of the economic reality (refer to slide 22 for further details)

Note that the statutory results include the impact of a range of Blue Sky managed funds that have been consolidated or equity accounted following the adoption of AASB 10. The underlying results columns are non-IFRS financial information and are based on all equity held by Blue Sky in funds that it manages being accounted for at fair value using the same approach as outlined in AASB 13. A reconciliation between the Underlying Results and the Statutory Results is provided in the Annual Financial Report which may be downloaded from the ASX's website. The non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young).

Valuations: Our process incorporates independent expert and audit sign off across all asset classes

Valuation Process

Independence – Top tier independent valuation experts are used across all asset classes

Methodology and inputs – Valuation methodology and all key valuation inputs (e.g. discount rates, earnings multiples) are reviewed by independent experts

Institutional investor review – The valuations of our investments are reviewed by our institutional investors (for those funds that they have invested in)

Audit review – The valuations of our investments are reviewed every reporting period by Ernst & Young in their capacity as Blue Sky's auditor

Board review and sign off – Valuations are reviewed and signed off by:

- The directors of the Audit Committee (all independent directors);
- The board of Blue Sky; and
- For the 46 funds that the Alternatives Fund held investments in at 30 June 2017, the Audit and Risk Committee of the Alternatives Fund (majority independent directors) and the board of the Alternatives Fund

Frequency – Independent review undertaken at least annually for all assets that may have a material impact on Blue Sky's financial results (and more frequently where appropriate e.g. Water Fund, hedge funds)

Market standard – The process is based on the approach used by other leading global alternative asset managers

Independent Valuation Experts



Private Equity



Private Real Estate



Real Assets



Hedge Funds



Valuations: Blue Sky Water Fund example

Market prices <i>Monthly</i>	Independent market prices determined by Colliers based on recent trades of similar or equivalent assets in the water market and with reference to public data
Water asset holdings <i>Monthly</i>	Australian Executor Trustees is the independent custodian and holds all Water Fund assets in its name. It maintains the register of water assets held by the fund and provides monthly holding statements of water assets held by the Fund
Unit valuation <i>Monthly</i>	The independent prices and independent holding statements are then used to calculate the value of units in the Water Fund on a monthly basis
Institutional review <i>Monthly</i>	Institutional clients review the monthly report issued by Blue Sky, which contains a detailed description of valuation movements and performance of the portfolio
Fund audit <i>Annually</i>	The Water Fund is audited annually by Deloitte
BLA and BAF audit <i>Every six months</i>	Ernst & Young review the Water Fund as part of the half year review and full year audit for BLA and BAF
Audit committee sign off <i>Every six months</i>	The Audit Committee of BLA (all independent directors) and Audit & Risk Committee of BAF (majority independent directors) sign off on the Water Fund valuation every six months
BLA & BAF Board sign off <i>Every six months</i>	Directors of the boards of BLA and BAF sign off on the Water Fund valuation as part of half year and full year reporting



Valuations: 'Level 1', 'Level 2' and 'Level 3' assets

- The Australian Accounting Standards classify the way in which assets are valued into three 'levels' (see table below).
- With the exception of our Hedge Fund team, Blue Sky's business specialises in investing in **private markets**. All private markets investments fit within the definition of 'Level 3' assets under the Australian Accounting Standards. As such, Blue Sky is required to account for these assets under the 'Level 3' classification.
- This is the same practice as many other fund managers in different asset classes (for example, REITs).
- **From inception through to 30 June 2017, 33 out of 38 of our realisations have been at or above their carrying value.**

Level 1	<p>Refers to assets where there are 'quoted prices in active markets for identical assets'. Investments in private market assets do not meet this definition and are therefore never classified as 'Level 1' assets.</p> <p><i>Example:</i> The value of shares in a large, listed company that trades on the ASX.</p>
Level 2	<p>Refers to assets where there are valuation inputs (other than quoted prices) that are observable, either directly or indirectly. As with 'Level 1' assets, investments in private market assets do not meet this definition and are therefore not classified as 'Level 2' assets.</p> <p><i>Example:</i> The value of a derivative contract (e.g. a forward, futures or options contract) that relates to a share of a large, listed company that trades on the ASX.</p>
Level 3	<p>Refers to assets where there are valuation inputs that are considered under the accounting standards as 'unobservable'. This refers to all assets that are not classified as 'Level 1' or 'Level 2' assets.</p> <p><i>Example:</i> Land, privately owned infrastructure, investments in private companies etc.</p>

AASB	Australian Accounting Standards Board
Alternatives Fund	Blue Sky Alternatives Access Fund Limited
ASX	Australian Securities Exchange
Atira	Operator of student accommodation. Blue Sky's ownership interest in Atira increased from 35% to 50% in July 2017
AUM	Assets Under Management
Aura	Operator of retirement villages. Blue Sky owns 50% of Aura
BAF	Blue Sky Alternatives Access Fund Limited
BLA	Blue Sky Alternative Investments Limited
bps	Basis points
CAGR	Compound annual growth rate
Cove	Cove Property Group, a US based funds management business that invests in institutional grade commercial property. Blue Sky owns 38% of Cove
cps	Cents per share
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
ESOP	Employee share option plan
FTEs	Full time equivalent employees
FY14	Financial year ended 30 June 2014

FY15	Financial year ended 30 June 2015
FY16	Financial year ended 30 June 2016
FY17	Financial year ended 30 June 2017
FY18	Financial year ended 30 June 2018
FY19	Financial year ended 30 June 2019
IFRS	International Financial Reporting Standards
n.a.	Not applicable
NPAT	Net profit after tax
NTA	Net tangible assets
NY	New York
p.a.	Per annum
Q1 FY18	First quarter ended 30 September 2017
REIT	Real Estate Investment Trust
SA	South Australia
SME	Small and medium-sized enterprises
SSAP	Sacrifice Share Acquisition Plan
Student Quarters ('SQ')	A US based funds management business that invests in institutional grade student accommodation. Blue Sky owns 60% of Student Quarters
VC	Venture Capital



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