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# Blue Sky Alternative Investments

## 1H FY18 Results Presentation

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Figures presented throughout this presentation are in Australian dollars (unless otherwise noted) and may not add or calculate 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 interim results including 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 funds and fund related entities 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 and fund related entities 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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# Executive summary

## Strong financial performance<sup>1</sup>

- **Significant growth in underlying revenue and earnings**
  - Underlying revenue of \$51.4m, up 41% vs. prior corresponding period ('pcp')
  - Underlying net profit after tax ('NPAT') of \$16.1m, up 59% vs. pcp
- **Expanding EBITDA margins to 43.4%**, reflecting increased scale (up from 41.2% in pcp)

## Substantial growth in fee-earning assets under management ('AUM')

- **Fee-earning AUM stood at \$3.9b** at 31 December 2017 (up ~\$1.2b over the last year)
- **Expected to be between \$4.25b - \$4.75b at 30 June 2018** (previous guidance was \$4.0b - \$4.5b at 30 June 2018)
- Target of **\$5.5b - \$6.0b in fee-earning AUM by 30 June 2019** (previous target was to exceed \$5.0b by 30 June 2019)
- Growth supported by **long-term global growth in allocations to alternative assets**

## Continuing to deliver solid investor returns<sup>2,3</sup>

- **Overall returns to fund investors: 15.0% p.a.** (since inception, net of fees)
- **Realised returns to fund investors: 16.7% p.a.** (since inception, net of fees)

## Earnings guidance<sup>1</sup>

- On track to deliver **underlying NPAT for FY18 between \$34.0m - \$36.0m**

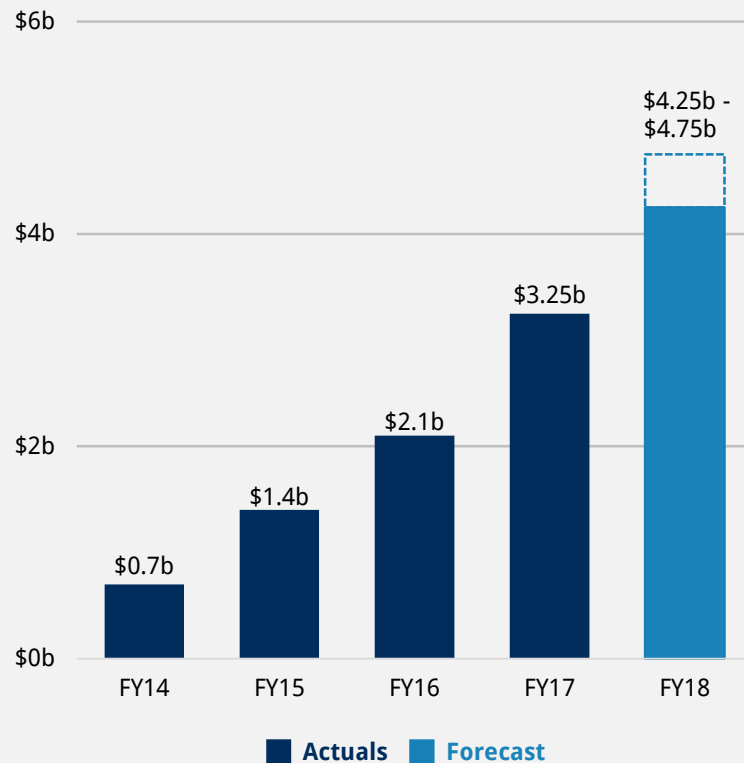
1. The above financial information reflects Blue Sky's underlying results. Please refer to pages 28 – 29 of this presentation as well as the Interim Financial Report for an explanation of the difference between the statutory and underlying results. This non-IFRS financial information has been reviewed by Blue Sky's auditor (Ernst & Young)

2. Past performance is not a reliable indicator of future performance. Refer to pages 11 – 14 for further details

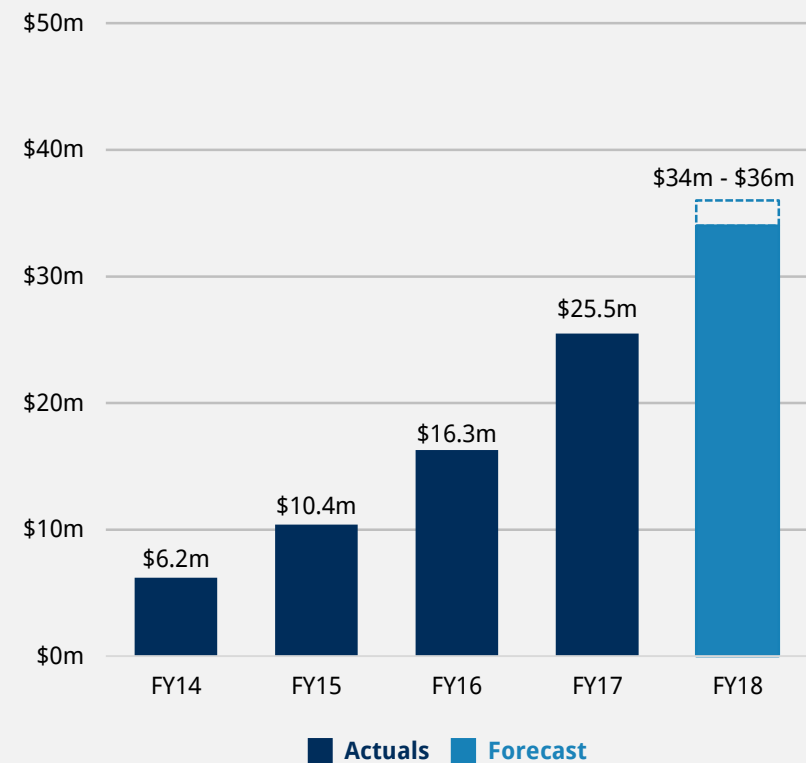
3. Realised returns includes returns generated on the 39 closed-ended funds Blue Sky has realised since inception as well as the returns generated by our open-ended funds

# Continued growth in fee-earning AUM and underlying earnings

**Fee-earning AUM**



**Underlying NPAT**



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# Operational highlights

- Global expansion of **institutional mandates**, including:
  - Real Assets: Strategic agreement with Canada's Public Sector Pension Investment Board ('PSP Investments')
  - Private Real Estate: Asian institution investing up to 50% of the equity in new retirement developments
  - Hedge Funds: North American institution has invested in Dynamic Macro via a global platform
  - Total of sixteen institutional investors, of which eleven are international
- **Award winning** investment performance<sup>1</sup>
  - HPS recognised as '2017 Exit of the Year' at the Australian Growth Company Awards
  - Pet Circle won the 2017 AVCAL award for 'Australia's Best Early Stage Investment'
- **North American business** continues to grow rapidly
  - Investment in distribution has led to strong momentum in institutional capital raising
  - Cove Property Group ('Cove') and Student Quarters joint ventures are performing well and have substantial potential for growth<sup>2</sup>
- **Blue Sky Alternatives Access Fund ('BAF') successfully completed a \$49m entitlement offer in November 2017**, and is now a >\$250m listed investment company<sup>3</sup>

1. Past performance is not a reliable indicator of future performance. Refer to pages 11 – 14 for further details

2. Blue Sky owns 38% of the equity in Cove and 60% of the equity in Student Quarters

3. Based on BAF's market capitalisation of \$257 million at 31 December 2017. Source: S&P Capital IQ

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**2. Business Update**

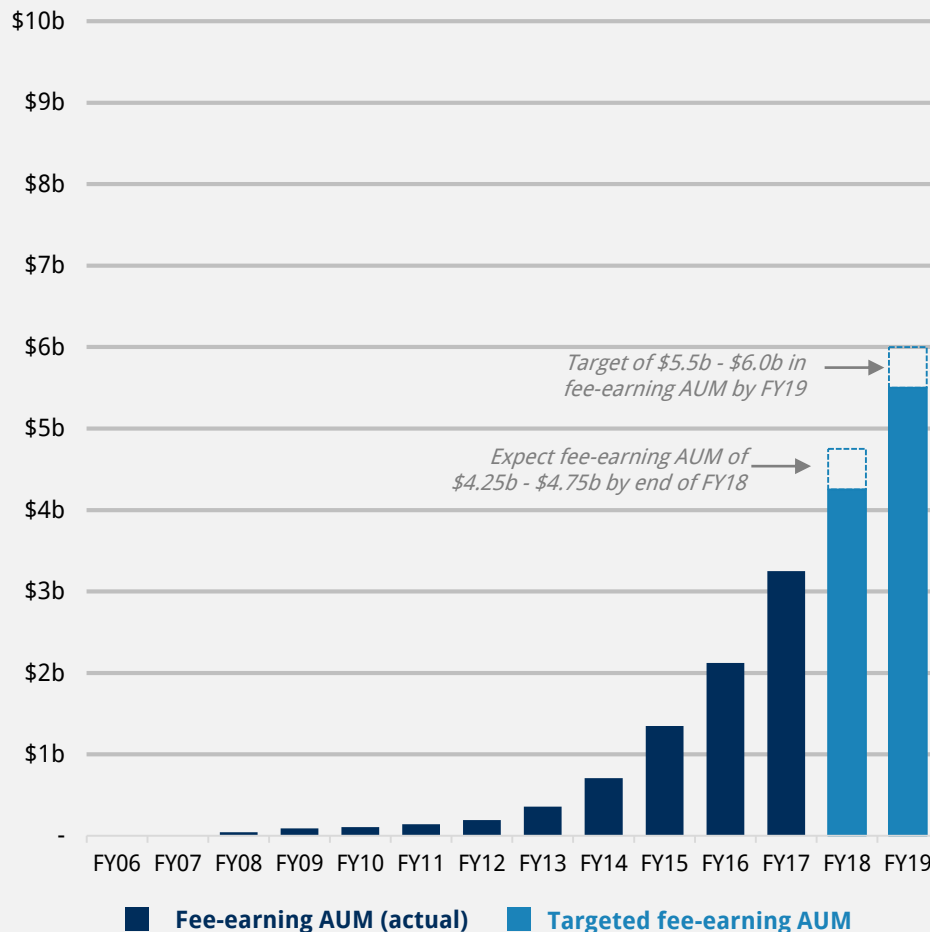
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# Fee-earning AUM has grown to \$3.9 billion

## Fee-earning AUM

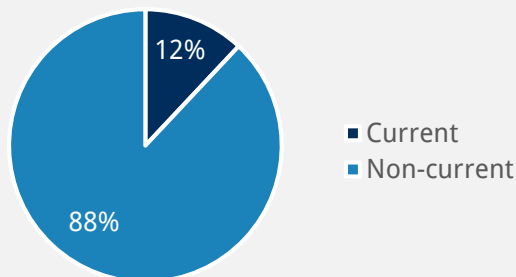


- **Fee-earning AUM was \$3.9b** at 31 December 2017
  - Does not include capital related to institutional mandates that has been awarded but not yet deployed (where not yet fee-earning)
- Represents an **increase of ~\$1.2b** (44% growth) over the last twelve months
- Expect fee-earning AUM of **\$4.25b - \$4.75b at 30 June 2018**
- Target of **\$5.5b - \$6.0b** in fee-earning AUM by 30 June 2019

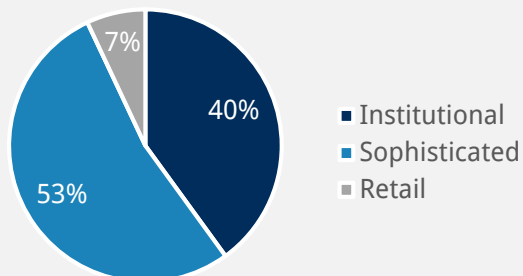


# Blue Sky's funds are mostly long-term and closed-ended

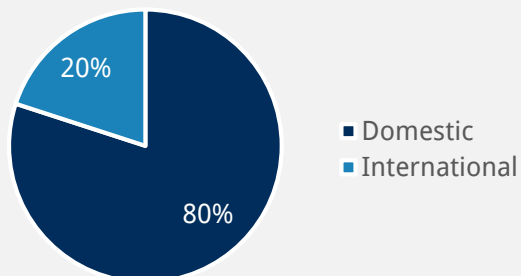
**Fee-earning AUM: Current vs. non-current**



**Fee-earning AUM: By investor type**



**Fee-earning AUM: By location**



- **'Sticky' closed-ended funds:**

- Of Blue Sky's 80 funds, 76 are closed-ended (and therefore typically have restricted redemption rights, providing greater certainty of retention)

- **88% of fee-earning AUM (\$3.4b) is 'non-current':**

- Long term investment timeframes means ~5 year fund duration is typical; often substantially longer for institutional mandates
- 'Non-current' fee-earning AUM includes (i) closed-ended funds and institutional mandates not anticipated to be realised in next twelve months; and (ii) BAF

- **Limited short-term fee-earning AUM:**

- 12% of fee-earning AUM (\$0.5b) is 'current' (includes (i) closed-ended funds with anticipated realisations in next twelve months and (ii) all open-ended funds (e.g. Hedge Funds, Blue Sky Water Fund (excluding institutional mandates in water))

- **Diverse investor base (by type and location):**

- 40% of fee-earning AUM is from institutional investors across multiple jurisdictions (Australia, North America, Asia)
- 53% of fee-earning AUM is from our network of sophisticated investors (high net worth investors, family offices)

# Our focus is on long-term investments in private markets

Target sectors underpinned by long-term structural tailwinds, such as:



## Food and water

- Blue Sky Water Fund
- Ten investments into agricultural assets
- Seven private equity investments into food related businesses



## Education

- Nine student accommodation sites in Australia
- Student accommodation at twelve campuses in the United States
- Two private equity investments into education businesses



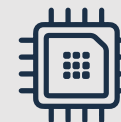
## Care

### HEALTHCARE

- Four private equity investments

### RETIREMENT

- Eight retirement living villages with Aura

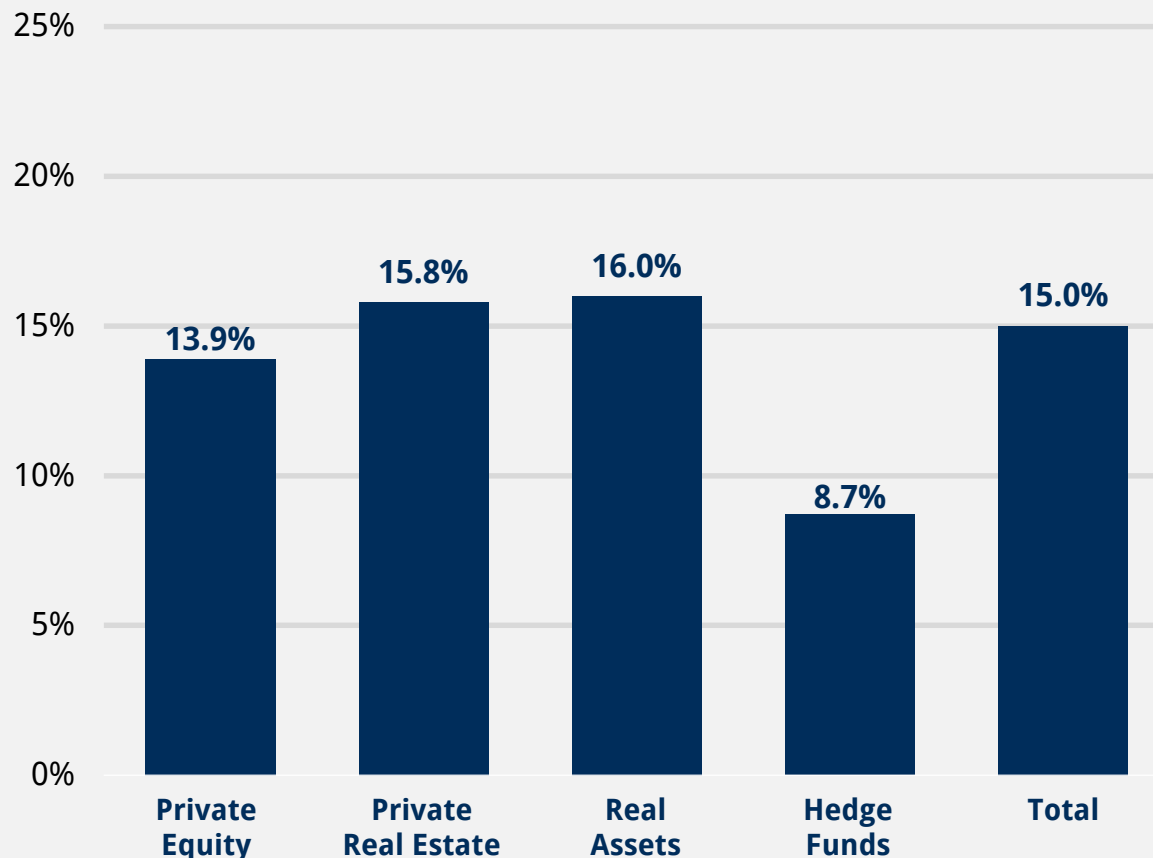


## Technology

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

# Overall investor returns of 15.0% p.a., since inception

## Returns to fund investors (net of fees) (since inception through to 31 December 2017)<sup>1</sup>

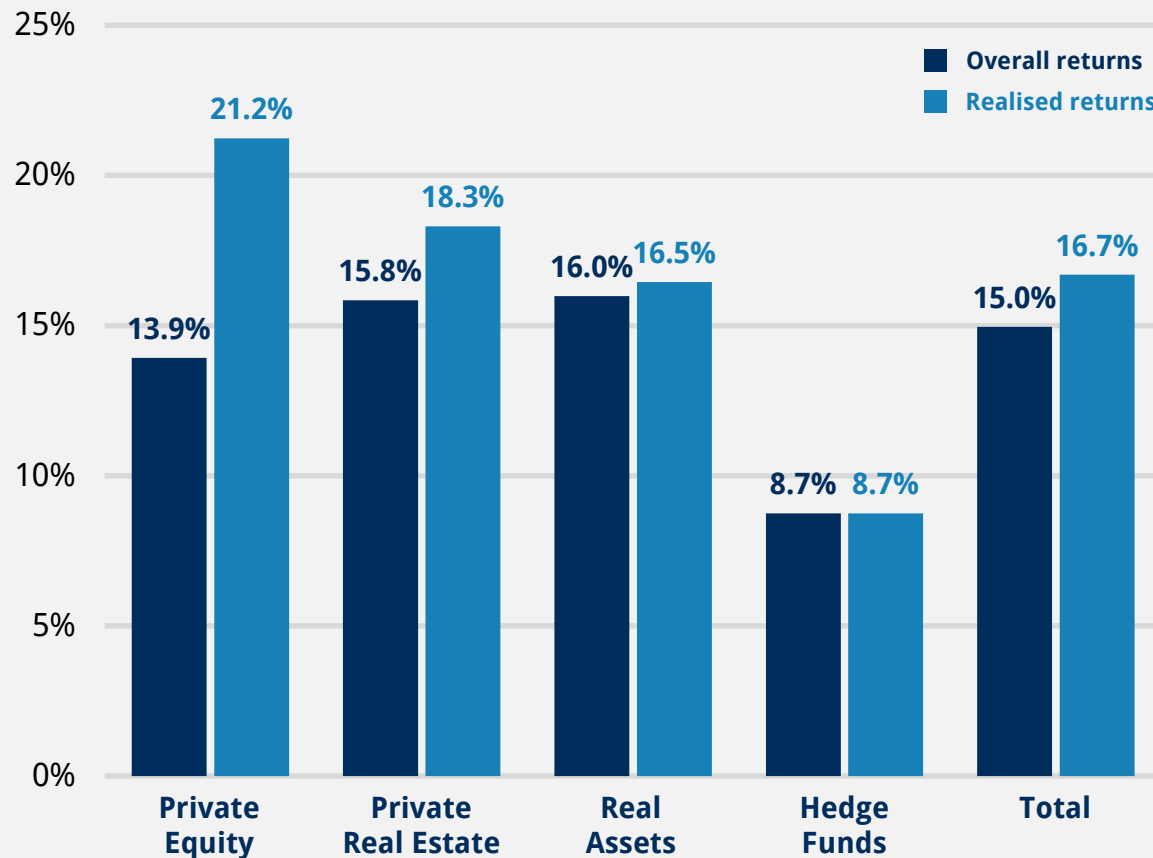


- Returns are pre-tax, net of fees
- All investment strategies originated and managed by Blue Sky since inception are included. Closed-ended funds that are less than 24 months old where there has been no material change in value of the underlying investment(s) are excluded
- Valuation of unrealised assets reviewed by third party valuation experts (e.g. KPMG, JLL, Colliers)
- The valuations of our investments are reviewed every reporting period by Ernst & Young in their capacity as auditor of Blue Sky
- *Note: Past performance is not a reliable indicator of future performance*

1. Returns are equity-weighted since inception through to 31 December 2017 and include both realised and unrealised investments

# We have delivered realised investor returns of 16.7% p.a.

**Returns to fund investors (net of fees)**  
(since inception through to 31 December 2017)<sup>1</sup>

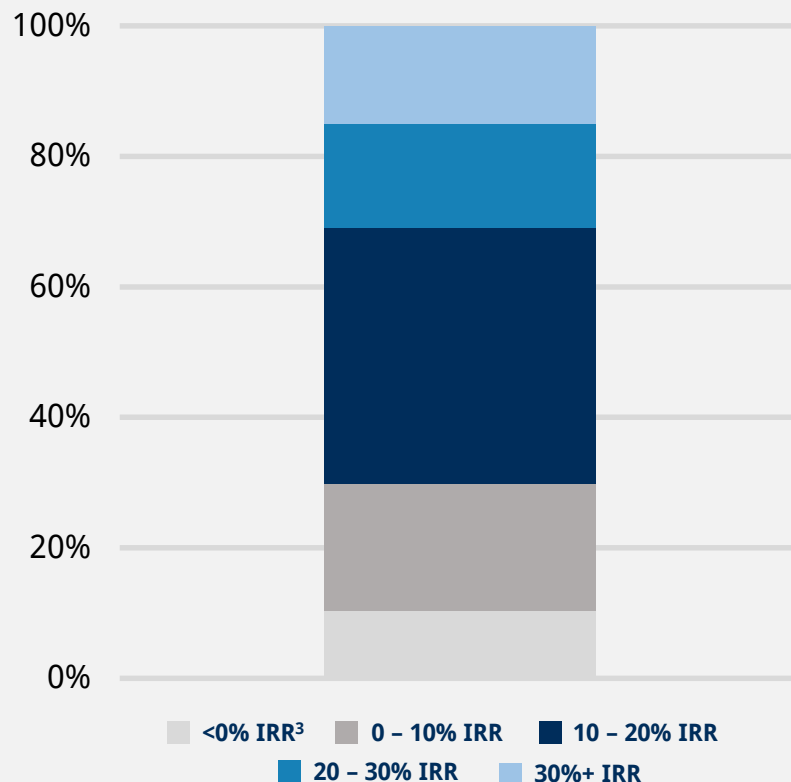


- 39 closed-ended funds have been realised since inception
- Of these 39 funds, 34 have been realised at or above their carrying value
- Overall returns on these realised funds, including returns on our open-ended funds (where investors have redemption rights), are **16.7% p.a. (net of fees)<sup>1</sup>**
- Overall returns on realised funds only, excluding returns on our open-ended funds, are **18.5% p.a. (net of fees)<sup>1</sup>**
- *Note: Past performance is not a reliable indicator of future performance*

1. Returns are equity-weighted since inception through to 31 December 2017. Realised returns in the graph above include returns on open-ended funds (i.e. where investors have redemption rights)

# ~90% of our closed-ended funds have generated positive returns<sup>1</sup>

## Distribution of closed-ended fund returns since inception (net of fees)<sup>1,2</sup>



Distribution of fund returns reflects our investment approach:

- Focus on **long-term investments** in private markets
- Target sectors underpinned by long-term **structural tailwinds**
- Significant reliance on **proprietary deal flow** (e.g. from our network of sophisticated investors)
- **Emphasis on opportunities where capital can be used to actively build value** (rather than buy value)
- **Significant influence (or control)** at the asset / investment level
- **Incentives for management teams aligned** to outcomes for Blue Sky's investors
- Detailed understanding and **mitigation of risks** prior to investment
- *Note: Past performance is not a reliable indicator of future performance*

1. Returns are pre-tax, net of fees and include both realised and unrealised investments. Includes all investment strategies originated and managed by Blue Sky since inception, except for (i) open ended funds and (ii) closed-ended funds that are less than 24 months old where there has been no material change in value of the underlying investment(s)

2. Distribution of closed-ended fund returns reflects the number of funds in each category (i.e. not equity weighted by fund size)

3. Note: The average return on invested capital on this sub-set of funds is 0.74x

# Our open-ended funds and BAF have performed in line with their objectives

## Returns to fund investors<sup>1</sup> (per annum through to 31 December 2017, net of fees)

	1 year return	2 year return	3 year return	5 year return	Since inception	Commentary
Blue Sky Alternatives Access Fund Limited (ASX:BAF) <sup>2</sup>	11.7%	10.0%	12.0%	n.a.	9.6%	▪ Funds realised by BAF have delivered a combined IRR of 19.5% p.a. since inception <sup>5</sup>
Blue Sky Water Fund <sup>3</sup>	14.2%	7.7%	19.6%	16.2%	16.3%	▪ Returns include an average yield of ~4.6% p.a. since inception
Dynamic Macro Hedge Fund <sup>4</sup>	-13.1%	-8.2%	-4.7%	1.8%	7.1%	▪ -0.46 correlation to the ASX200 from inception through to 31 December 2017

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

2. Fund pre-tax NTA performance to 31 December 2017 which includes growth in NTA, plus dividends and franking credits paid. Inception date is 16 June 2014

3. Accumulated returns for the initial and lead unit series of the Blue Sky Water Fund Master Trust to 31 December 2017. All returns are pre-tax and net of fees. Inception date is 1 August 2012

4. Returns to 31 December 2017, net of fees. Inception date is 22 November 2007

5. Return is an equity-weighted composite of exited investments (10 closed-ended funds and redemptions from 2 open-ended funds). Returns are pre-tax and include fee rebates. No adjustment has been made for management or performance fees charged directly to BAF or company overheads

# Business unit updates

## Private Equity

- **Award winning investment performance** across both Growth Capital and Venture Capital:
  - HPS won '2017 Exit of the Year' at the Australian Growth Company Awards
  - Pet Circle won the 2017 AVCAL award for 'Australia's Best Early Stage Investment'
- **Aiming to convert several new institutional mandates** over 2018, capitalising on a range of successful exits delivered over the previous two years (e.g. HPS, Pet Circle, Oaktree, Readify, Hatchtech)
- **Multiple exit processes currently underway** with target completion dates during 2H FY18
- **Opportunity for new investment remains significant**
  - Large investment universe, with Australia's economy having over 50,000 actively trading SME businesses (with 20 – 199 employees)<sup>1</sup>
  - Blue Sky's sophisticated investor base provides an important source of proprietary deal flow

## Private Real Estate

### Student Accommodation:

- Portfolio of >5,200 beds across nine sites in Australia
  - Four sites now complete and operational; remaining sites in development and becoming operational from 2019 onwards
- No new investments made in 1H FY18, but continuing to seek opportunities to grow
- Appointed Michael Heffernan as CEO of Atira (former CEO of Campus Living Villages' Australian business)
- Increased ownership of Atira to 50%<sup>2</sup>

### Retirement:

- Significant increase in portfolio, with >1,100 independent living units now in development across eight sites

### Residential:

- Now only a small part of our Private Real Estate portfolio, with remaining apartment developments in south-east Queensland representing less than 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. Atira is the operator of each student accommodation site that Blue Sky has developed or is developing. Blue Sky's student accommodation joint venture partner (Goldman Sachs) owns the remaining 50% of Atira

# Business unit updates (cont.)

## Real Assets

- Market for water entitlements has firmed, with Blue Sky's Water Fund:
  - Up 16.3% p.a. since inception** (net of fees)<sup>1,2</sup>
  - Up 10.0% in the six months to 31 December 2017** (net of fees)<sup>2</sup>
- Entered into a **strategic agreement with PSP Investments**, one of Canada's largest pension investment managers
- On track for **final close of the Strategic Australian Agriculture Fund** during FY18 with \$300m+ expected to be committed to this strategy
- Deployed capital into **four new investments**
- Continued to deploy existing water mandates for a range of local and international institutional investors across targeted regions in the Murray-Darling Basin

## North America

- Capital raising has significant momentum with **eight North American institutions investing with Blue Sky**<sup>3</sup>
- Emerging **private equity platform** with three growth capital investments made over the last two years

### Joint Venture Platforms

*Cove Property Group (Blue Sky owns 38% of Cove)*

- Existing assets performing well:**
  - 101 Greenwich:<sup>4</sup> Capital works have reached substantial completion; leasing underway
  - Hudson Commons:<sup>4</sup> Construction progressing, with completion anticipated within eighteen months
- Targeting 1 – 2 new investments in 2018**

*Student Quarters (Blue Sky owns 60% of Student Quarters)*

- Invested in **seven assets across four locations** in 1H FY18
- Has **>4,600 beds across 12 campuses**, and is now one of the 25 largest owners of student accommodation in the USA

1. Accumulated returns for the initial and lead unit series of the Blue Sky Water Fund Master Trust from inception through to 31 December 2017. All returns are pre-tax and net of fees. Inception date is 1 August 2012

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

3. Includes two institutions investing with Cove Property Group

4. Cove's first investment at 2 Rector St has been rebranded and is now referred to as '101 Greenwich'. Similarly, Cove's second investment at 441 Ninth Avenue, Hudson Yards, has been rebranded and is now referred to as 'Hudson Commons'



# Business unit updates (cont.)

## Hedge Funds

- Core strategy ('Dynamic Macro') is a quantitative fund that incorporates a systematic macroeconomic overlay
- Dynamic Macro has a **>10 year track record that includes 7.1% p.a. returns with a -0.46 correlation to the ASX200<sup>1</sup>**
- Consistent with its negative correlation to equities, performance during CY17 was -13.1% through a period of strong equity market performance
- More recently, Dynamic Macro's performance was +11.6% during the volatility in equity markets in the first week of February<sup>2</sup>
- **Recently awarded a mandate from a North American institution**, with other international institutional investors in due diligence

## Blue Sky Alternatives Access Fund

- BAF is a **>\$250 million<sup>3</sup> listed investment company** that provides investors with direct exposure to a diverse portfolio of 50 Blue Sky managed funds
- **Performance:** Twelve month fund performance of 11.7% p.a.<sup>4</sup>
- Funds realised by BAF have delivered a combined IRR of 19.5% p.a. since inception<sup>5</sup>
- Successfully **completed a 1 for 4 entitlement offer** in November 2017 raising ~\$49m (with significant excess demand)

1. As at 31 December 2017. Inception date is 22 November 2007. Past performance is not a reliable indicator of future performance

2. Based on official unit price numbers for the period 2 February 2018 to 9 February 2018

3. Based on BAF's market capitalisation of \$257 million at 31 December 2017. Source: S&P Capital IQ

4. Fund NTA performance to 31 December 2017 (which includes growth in pre-tax NTA, plus dividends and franking credits paid). Past performance is not a reliable indicator of future performance

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# Underlying financial performance - summary

## Commentary

**Substantial growth in NPAT (up 59%) and earnings per share (up 56%),** driven by:

- Ongoing growth in fee-earning AUM (up 44%)
- Ongoing growth in revenue (up 41%)
- Higher margins, reflecting increasing scale

**We continue to invest for growth:**

- Expanded team to 116 full time equivalents ('FTE') at 31 December 2017

**Lower net cash position** (vs. 30 June 2017) reflects:

- \$11.3m invested in the funds we manage, primarily as co-investments alongside institutional investors
- Payment of \$15.7m dividend relating to FY17 (paid in September 2017)

**Increased operating cash flow and distributable earnings,** however were impacted by no significant contribution from fund realisations and no performance fees from the Water Fund received in 1H FY18 (vs. 1H FY17)

## Underlying Results

	1H FY17	1H FY18	Growth (%)
<b>Fee-earning AUM at end of period</b>	\$2.7b	\$3.9b	44%
<b>Revenue</b>	\$36.4m	\$51.4m	41%
<b>EBITDA</b>	\$15.0m	\$22.3m	49%
<b>EBITDA margin (%)</b>	41.2%	43.4%	n.a.
<b>NPAT</b>	\$10.1m	\$16.1m	59%
<b>NPAT margin (%)</b>	27.7%	31.3%	n.a.
<b>Operating cash flow</b>	\$9.3m	\$10.3m	11%
<b>Cash flow conversion<sup>1</sup></b>	92.1%	64.0%	n.a.
<b>Distributable earnings<sup>2</sup></b>	\$10.2m	\$10.3m	1%
<b>Net tangible assets ('NTA')</b>	\$134.0m	\$153.6m	15%
<b>Net cash position</b>	\$52.1m	\$44.6m	-14%
<b>Basic earnings per share ('EPS')<sup>3</sup></b>	15.0cps	23.4cps	56%

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

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

3. Basic EPS is calculated as NPAT divided by shares on issue as at the last day of the period (68,777,321 shares on issue as at 31 December 2017 and 67,416,398 shares on issue as at 31 December 2016)

# Underlying income statement - summary

## Income:

- 48% increase in management fees, reflecting larger fee-earning AUM across all four asset classes and ongoing deal activity
- Smaller increase in performance fees (up 9.7% vs. pcg), reflects that a substantial portion of fee-earning AUM has only been recently deployed (\$1.8 billion, or 46%, of our fee-earning AUM has been deployed in the last eighteen months)
- Increased investment income driven primarily by gains on co-investments, particularly in student accommodation and retirement sectors
- Share of profit of associates reflects contribution from Cove. Decrease vs. pcg reflects no new Cove deals completed in 1H FY18

## Expenses:

- Investment in team expansion led to a 29% increase in employee benefits expense
  - \$4.2m of employee benefits expense were incentives (includes a \$1.1m non-cash expense related to employee share options)
- Increase in external service providers expense driven by increase in due diligence and structuring advice related to new institutional mandates and investment opportunities
- Largest contributors to 'other operating costs' include travel and entertainment (\$1.5m), marketing (\$1.0m) and consultancy (\$0.6m)

## Taxes – Impact of changes to US corporate taxes:

- The recent reduction in the US corporate tax rate has reduced Blue Sky's overall effective tax rate, resulting in: (i) a positive impact of \$1.1m from restatement of previously recorded deferred tax liabilities (associated with accrued performance fees); and (ii) an ongoing positive impact of reduced tax on future US earnings

In AUD \$m	1H FY17	1H FY18
Management fees <sup>1</sup>	\$17.5m	\$25.9m
Performance fees	\$9.3m	\$10.2m
Investment income	\$2.6m	\$10.2m
Share of profit of associates	\$3.1m	\$1.3m
Interest income	\$1.8m	\$1.6m
Other income	\$2.1m	\$2.2m
<b>Total income</b>	<b>\$36.4m</b>	<b>\$51.4m</b>
Employee benefits expense	-\$12.1m	-\$15.6m
Occupancy	-\$1.0m	-\$1.1m
External service providers	-\$1.3m	-\$2.5m
External capital raising expenses	-\$1.1m	-\$1.8m
Fee rebates to BAF	-\$2.2m	-\$3.0m
Other operating costs	-\$3.7m	-\$5.1m
<b>Total operating costs</b>	<b>-\$21.4m</b>	<b>-\$29.1m</b>
<b>EBITDA</b>	<b>\$15.0m</b>	<b>\$22.3m</b>
EBIT	\$14.8m	\$22.1m
Net profit before tax	\$14.5m	\$21.6m
<b>Net profit after tax</b>	<b>\$10.1m</b>	<b>\$16.1m</b>

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# Underlying statement of financial position - summary

## Assets:

- \$153.6m of net tangible assets (\$2.23 per share), including \$44.6m of net cash (i.e. no net debt)
- \$68.3m of financial assets at fair value reflect co-investments made in 26 separate funds and fund related entities, primarily as alignment capital alongside institutional investors
- \$12.8m of investments reflects equity accounted value of joint ventures (Cove, Student Quarters)
- \$13.9m increase in non-current trade and other receivables driven by strong investment performance coupled with significantly larger scale, leading to a total of \$37.1m of accrued performance fees (across 19 separate assets). Non-current trade and other receivables also includes:
  - \$19.4m of investments structured as loans into Blue Sky managed funds and fund related entities (FY17: \$15.8m);
  - \$7.6m of management fees due to be paid in >12 months; and
  - \$2.5m of employee loans, provided as matching loans where employees invest their own capital in Blue Sky managed funds

## Liabilities:

- Decrease in trade and other payables reflects deployment of previously committed alignment capital (commitments are recorded as liabilities and reduced as capital calls are made)
- Corporate debt facility drawn to \$6.4m
- Increase in other non-current liabilities are primarily liabilities directly associated with greater accrued performance fees (e.g. accrued employee incentives, accrued rebates to BAF, deferred tax liabilities)

## In AUD \$m

30 Jun 2017 31 Dec 2017

Cash	\$70.6m	\$51.0m
Trade and other receivables	\$38.0m	\$37.3m
Other current assets	\$4.6m	\$5.2m
<b>Total current assets</b>	<b>\$113.2m</b>	<b>\$93.5m</b>
Investments in associates and joint ventures	\$11.5m	\$12.8m
Financial assets at fair value through profit and loss	\$63.4m	\$68.3m
Trade and other receivables	\$52.8m	\$66.7m
Property, plant and equipment	\$3.2m	\$3.2m
Intangible assets	\$5.6m	\$5.8m
<b>Total non-current assets</b>	<b>\$136.5m</b>	<b>\$156.8m</b>
<b>Total assets</b>	<b>\$249.7m</b>	<b>\$250.3m</b>
Trade and other payables	\$36.6m	\$26.0m
Borrowings	\$8.4m	\$6.5m
Other current liabilities	\$14.0m	\$14.6m
<b>Total current liabilities</b>	<b>\$59.0m</b>	<b>\$47.1m</b>
Other non-current liabilities	\$34.5m	\$43.8m
<b>Total non-current liabilities</b>	<b>\$34.5m</b>	<b>\$43.8m</b>
<b>Total liabilities</b>	<b>\$93.5m</b>	<b>\$90.9m</b>
Net assets	\$156.2m	\$159.4m
<b>Net tangible assets</b>	<b>\$150.6m</b>	<b>\$153.6m</b>

**Note: The information on this page reflects Blue Sky's underlying results.**  
Please refer to pages 28 – 29 of this presentation as well as the Interim 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 cash flow statement - summary

## Cash flow from operating activities:

- Increase in net cash from operations reflects growth in (and deployment of) fee-earning AUM across all four asset classes and ongoing deal activity
- Distributable earnings of \$10.3m (calculated as net operating cash flow plus realised gains and profit distributions from balance sheet investments less provisions for income tax)
- Cash flow conversion of 64%<sup>1</sup> mainly reflects reduced contribution from realised performance fees (compared with 1H FY17)

## Cash flow from investing activities:

- \$11.3m in payments for equity investments, driven by balance sheet investment as alignment capital alongside institutional investors in a range of funds in Private Real Estate, Private Equity and Real Assets

## Cash flow from financing activities:

- 23 cps fully franked dividend (total of \$15.7m) in relation to FY17 (paid in September 2017)

In AUD \$m	1H FY17	1H FY18
Receipts from customers	\$35.2m	\$42.6m
Payments to suppliers and employees	-\$24.6m	-\$30.6m
Interest received	\$1.3m	\$1.0m
Interest and other finance costs paid	-\$0.4m	-\$0.5m
Income taxes paid	-\$2.2m	-\$2.2m
<b>Net cash from operating activities</b>	<b>\$9.3m</b>	<b>\$10.3m</b>
Payments for equity investments	-\$5.6m	-\$11.3m
Payments for property, plant and equipment	-\$0.1m	-\$0.3m
Payments for intangibles	\$0.0m	-\$0.1m
Proceeds from disposal of equity investments	\$11.3m	\$4.7m
Bridging finance and loans to funds (net)	-\$7.3m	-\$7.3m
<b>Net cash used in investing activities</b>	<b>-\$1.7m</b>	<b>-\$14.3m</b>
Proceeds from issue of shares	\$0.2m	\$1.7m
Share issue transaction costs	-\$0.2m	-\$0.1m
Proceeds from borrowings	\$12.5m	\$16.6m
Repayment of borrowings	-\$14.2m	-\$18.1m
Dividends paid	-\$10.8m	-\$15.7m
<b>Net cash used in financing activities</b>	<b>-\$12.5m</b>	<b>-\$15.6m</b>
Starting cash balance	\$62.9m	\$70.6m
<b>Ending cash balance</b>	<b>\$58.0m</b>	<b>\$51.0m</b>

**Note: The information on this page reflects Blue Sky's underlying results.**  
Please refer to pages 28 – 29 of this presentation as well as the Interim 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).

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**4. Outlook**

5. Appendix

# Strong foundation in place to capture growth in private markets

<b>Compelling, long-term industry drivers</b>	<ul style="list-style-type: none"><li>▪ Growth in the alternatives industry continues, driven by a combination of the:<ul style="list-style-type: none"><li>▪ <b>Expansion of Australia's funds management industry</b>, which has grown from \$0.3 trillion to \$2.8 trillion over the last two decades;<sup>1</sup> and</li><li>▪ <b>Multi-decade global trend of increasing allocations to alternatives</b>, which has seen allocations in Australia grow from 5% to 18% over the same period<sup>2</sup></li></ul></li></ul>
<b>Increasing scale, with growing support from institutional investors</b>	<ul style="list-style-type: none"><li>▪ <b>Fee-earning AUM expected to be between \$4.25b - \$4.75b at 30 June 2018, and targeting \$5.5b - \$6.0b in fee-earning AUM by 30 June 2019</b></li><li>▪ Anticipating <b>strong growth in institutional investor segment</b> as existing mandates are deployed and new mandates are secured</li></ul>
<b>Focus on investing in 'the essentials' remains unchanged</b>	<ul style="list-style-type: none"><li>▪ Focus remains on making <b>long-term investments in private markets</b> in sectors backed by structural tailwinds (e.g. food, water, agriculture, healthcare, education, retirement and technology)</li></ul>
<b>Strong track record of realised returns</b>	<ul style="list-style-type: none"><li>▪ <b>39 realisations delivered since inception</b>, including nine over 2017</li><li>▪ <b>On track to deliver 8 - 10 realisations during FY18</b></li></ul>
<b>Reiterate earnings guidance</b>	<ul style="list-style-type: none"><li>▪ <b>On track to deliver underlying NPAT for FY18 between \$34.0m - \$36.0m</b></li></ul>

1. Reserve Bank of Australia, Statistical Table B18, Managed Funds (data released 11 December 2017)

2. Rainmaker Roundup (Sep-16 and Sep-17 quarter editions)



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**5. Appendix**

# Our Business

## 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 80 separate funds across the four major alternative asset classes**



### Private Equity

- Invests **growth capital** and **late stage venture capital** into established and rapidly growing businesses
- Currently managing investments in **33 businesses**



### Private Real Estate

- Focused in Australia on **student accommodation** and **retirement living**
- Two US based joint ventures: **Cove Property Group** (Blue Sky owns 38%) and **Student Quarters** (Blue Sky owns 60%)



### Real Assets

- **Water entitlements**
- **Growth capital into agriculture** (i.e. 'change of use' agricultural investments)
- **Agricultural infrastructure**

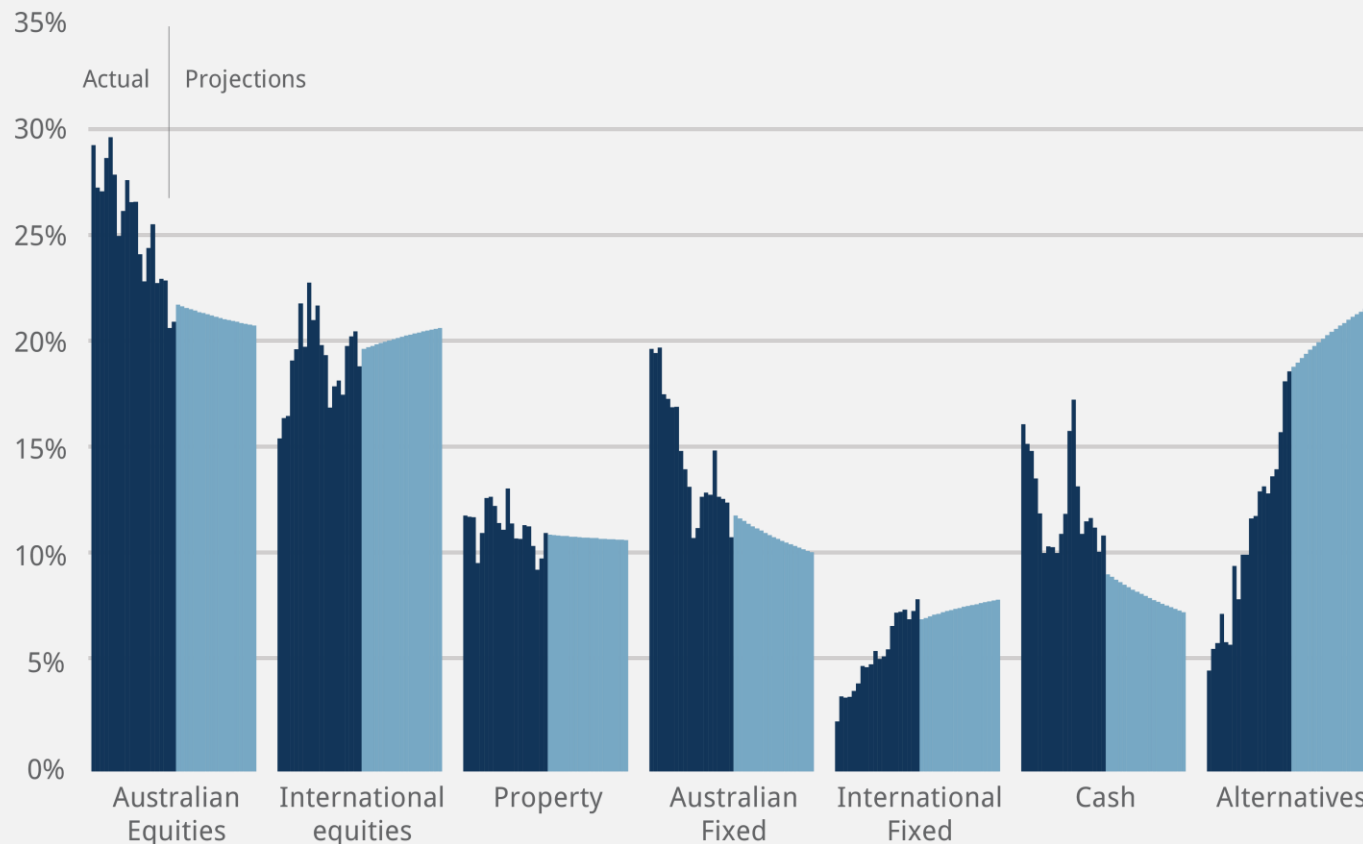


### Hedge Funds

- **Three separate hedge fund products**
- Focused on **strategic risk allocation**

# Allocations to alternatives have grown to 18.3% over the last two decades

**Asset class segment shares 1997-2036<sup>1</sup>**



# Statutory vs Underlying Results Overview

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

- Blue Sky invests into a range of funds that it manages, typically as alignment capital alongside institutional investors
- Blue Sky has also made several investments into joint ventures (e.g. Cove, Student Quarters) and operational businesses that are related to funds that we manage (e.g. Atira (the operator of our Australian student accommodation assets) and Aura (the operator of our Australian retirement living assets))
- **Statutory results:** *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 from funds in which it has invested and is deemed to have control are eliminated upon consolidation and therefore do not appear in our statutory results;
  - The assets and liabilities of funds that are consolidated are included in the Consolidated Group's Statement of Financial Position, but the fair value of the units held by Blue Sky in those funds is eliminated upon consolidation; 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 results:** Blue Sky's underlying results are prepared on exactly the same basis as its statutory results, 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 included in our underlying results
  - All investments in our funds are included in our underlying results at fair value
  - No consolidation of profit and loss, balance sheet and cash flow items from funds that we manage
  - Balance sheet investments into joint ventures (e.g. Cove, Student Quarters) are accounted for in the same way under our statutory and underlying results

## Does Blue Sky's audit include its underlying results?

Ernst & Young audits our statutory results and reviews our underlying results

## Do other alternative asset managers present underlying results?

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

# Statutory vs Underlying Results

## Accounting treatment for balance sheet investments

### Statutory Results

Accounting basis:	Fair value accounting	Equity accounting	Consolidated
<b>Used when:</b>	<ul style="list-style-type: none"> <li>Balance sheet investments where Blue Sky is deemed not to have any control or influence over its investment</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments where Blue Sky is deemed to have significant influence but not control</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments where Blue Sky is deemed to have control</li> </ul>
<b>Number of investments:</b>	<ul style="list-style-type: none"> <li>Nil (Blue Sky, in its role as investment manager, is deemed to have control or influence over all of its investments)</li> </ul>	<ul style="list-style-type: none"> <li>Twenty-four</li> </ul>	<ul style="list-style-type: none"> <li>Four</li> </ul>
<b>Examples:</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>Student accommodation funds</li> <li>Atira (an operator of student accommodation in Australia. Blue Sky owns 50% of Atira)</li> </ul>	<ul style="list-style-type: none"> <li>Riverside Gardens Trust</li> <li>Aura (an operator of retirement villages in Australia. Blue Sky owns 50% of Aura)</li> </ul>

### Underlying Results

Accounting basis:	Fair value accounting	Equity accounting	Consolidated
<b>Used when:</b>	<ul style="list-style-type: none"> <li>All balance sheet investments in Blue Sky funds, and fund related entities that are intended to be realised in the future</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments that will be held indefinitely where Blue Sky is deemed to have significant influence, but not control</li> </ul>	<ul style="list-style-type: none"> <li>Balance sheet investments that will be held indefinitely where Blue Sky is deemed to have control</li> </ul>
<b>Number of investments:</b>	<ul style="list-style-type: none"> <li>Twenty-six</li> </ul>	<ul style="list-style-type: none"> <li>Two</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Examples:</b>	<ul style="list-style-type: none"> <li>Student accommodation funds</li> <li>Atira (an operator of student accommodation in Australia. Blue Sky owns 50% of Atira)</li> <li>Aura (an operator of retirement villages in Australia. Blue Sky owns 50% of Aura)</li> </ul>	<ul style="list-style-type: none"> <li>Joint venture with Cove Property Group (Blue Sky owns 38% of Cove Property Group)</li> <li>Joint venture with Student Quarters (Blue Sky owns 60% of Student Quarters)</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>

# Detailed underlying and statutory results:

## Income statement

In AUD \$m	Underlying Results		Statutory Results	
	1H FY17	1H FY18	1H FY17	1H FY18
Management fees	\$17.5m	\$25.9m	\$16.1m	\$23.7m
Performance fees	\$9.3m	\$10.2m	\$9.3m	\$10.2m
Investment income	\$2.6m	\$10.2m	\$5.6m	\$0.9m
Share of profit of associates	\$3.1m	\$1.3m	\$3.3m	\$3.2m
Interest income	\$1.8m	\$1.6m	\$1.7m	\$1.6m
Other income	\$2.1m	\$2.2m	\$5.7m	\$3.7m
<b>Total income</b>	<b>\$36.4m</b>	<b>\$51.4m</b>	<b>\$41.7m</b>	<b>\$43.3m</b>
Employee benefits expense	-\$12.1m	-\$15.6m	-\$13.0m	-\$16.6m
Occupancy	-\$1.0m	-\$1.1m	-\$1.1m	-\$1.1m
External service providers	-\$1.3m	-\$2.5m	-\$1.5m	-\$2.6m
External capital raising expenses	-\$1.1m	-\$1.8m	-\$1.1m	-\$1.8m
Fee rebates to BAF	-\$2.2m	-\$3.0m	-\$2.2m	-\$3.0m
Other operating costs	-\$3.7m	-\$5.1m	-\$6.2m	-\$6.6m
<b>Total operating costs</b>	<b>-\$21.4m</b>	<b>-\$29.1m</b>	<b>-\$25.1m</b>	<b>-\$31.7m</b>
<b>EBITDA</b>	<b>\$15.0m</b>	<b>\$22.3m</b>	<b>\$16.6m</b>	<b>\$11.6m</b>
EBIT	\$14.8m	\$22.1m	\$15.5m	\$11.3m
<b>Net profit after tax to owners of BSAIL</b>	<b>\$10.1m</b>	<b>\$16.1m</b>	<b>\$10.3m</b>	<b>\$9.8m</b>
Non-controlling interests	\$0.0m	\$0.0m	\$0.5m	-\$1.3m

### Commentary on statutory results:

- Statutory results exclude the management fees, performance fees and other fees that have been earned by Blue Sky from consolidated funds (as these are eliminated upon consolidation in accordance with AASB 10)
- Statutory results include all of the revenue and expenses attributable to funds that have been consolidated, as well as a share of the profit/(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 attributable to funds that have been consolidated in the statutory results, as well as the share of profit/(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 page 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 and fund related entities 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 Interim 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	
	30 Jun 2017	31 Dec 2017	30 Jun 2017	31 Dec 2017
Cash	\$70.6m	\$51.0m	\$72.2m	\$51.3m
Trade and other receivables	\$38.0m	\$37.3m	\$38.4m	\$37.5m
Other current assets	\$4.6m	\$5.2m	\$5.1m	\$5.7m
<b>Total current assets</b>	<b>\$113.2m</b>	<b>\$93.5m</b>	<b>\$115.7m</b>	<b>\$94.5m</b>
Investments in associates and joint ventures	\$11.5m	\$12.8m	\$51.6m	\$49.8m
Financial assets at fair value through profit and loss	\$63.4m	\$68.3m	\$0.0m	\$0.0m
Trade and other receivables	\$52.8m	\$66.7m	\$48.5m	\$59.9m
Property, plant and equipment	\$3.2m	\$3.2m	\$4.8m	\$4.8m
Intangible assets	\$5.6m	\$5.8m	\$11.0m	\$11.1m
Investment property – retirement villages	\$0.0m	\$0.0m	\$54.9m	\$88.0m
Other non-current assets	\$0.0m	\$0.0m	\$2.0m	\$2.1m
<b>Total non-current assets</b>	<b>\$136.5m</b>	<b>\$156.8m</b>	<b>\$172.8m</b>	<b>\$215.7m</b>
<b>Total assets</b>	<b>\$249.7m</b>	<b>\$250.3m</b>	<b>\$288.5m</b>	<b>\$310.2m</b>
Trade and other payables	\$36.6m	\$26.0m	\$35.7m	\$25.7m
Borrowings	\$8.4m	\$6.5m	\$16.7m	\$9.4m
Resident loans – retirement villages	\$0.0m	\$0.0m	\$14.9m	\$14.6m
Other current liabilities	\$14.0m	\$14.6m	\$14.8m	\$15.8m
<b>Total current liabilities</b>	<b>\$59.0m</b>	<b>\$47.1m</b>	<b>\$82.1m</b>	<b>\$65.5m</b>
Borrowings	\$0.0m	\$0.0m	\$37.2m	\$72.7m
Other non-current liabilities	\$34.5m	\$43.8m	\$27.8m	\$35.3m
<b>Total non-current liabilities</b>	<b>\$34.5m</b>	<b>\$43.8m</b>	<b>\$65.0m</b>	<b>\$108.0m</b>
<b>Total liabilities</b>	<b>\$93.5m</b>	<b>\$90.9m</b>	<b>\$147.1m</b>	<b>\$173.5m</b>
Net assets	\$156.2m	\$159.4m	\$141.4m	\$136.7m
<b>Net tangible assets</b>	<b>\$150.6m</b>	<b>\$153.6m</b>	<b>\$130.4m</b>	<b>\$125.6m</b>

## 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. \$88.0m 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 page 21 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 and fund related entities 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 Interim 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	
	1H FY17	1H FY18	1H FY17	1H FY18
Receipts from customers	\$35.2m	\$42.6m	\$31.8m	\$43.8m
Payments to suppliers and employees	-\$24.6m	-\$30.6m	-\$27.3m	-\$33.4m
Interest received	\$1.3m	\$1.0m	\$1.4m	\$1.0m
Interest and other finance costs paid	-\$0.4m	-\$0.5m	-\$0.7m	-\$0.6m
Income taxes paid	-\$2.2m	-\$2.2m	-\$2.3m	-\$2.2m
<b>Net cash from operating activities</b>	<b>\$9.3m</b>	<b>\$10.3m</b>	<b>\$2.9m</b>	<b>\$8.6m</b>
Payments for equity investments	-\$5.6m	-\$11.3m	-\$5.0m	-\$10.8m
Payments for property, plant and equipment	-\$0.1m	-\$0.3m	-\$0.5m	-\$0.3m
Payments for intangibles	\$0.0m	-\$0.1m	\$0.0m	-\$0.1m
Payments for investment property	\$0.0m	\$0.0m	-\$24.3m	-\$8.3m
Proceeds from disposal of equity investments	\$11.3m	\$4.7m	\$21.1m	\$4.6m
Bridging finance and loans to funds (net)	-\$7.3m	-\$7.3m	-\$7.1m	-\$7.2m
<b>Net cash used in investing activities</b>	<b>-\$1.7m</b>	<b>-\$14.3m</b>	<b>-\$15.8m</b>	<b>-\$22.1m</b>
Proceeds from issue of shares	\$0.2m	\$1.7m	\$0.2m	\$1.7m
Share issue transaction costs	-\$0.2m	-\$0.1m	-\$0.2m	-\$0.1m
Proceeds from borrowings	\$12.5m	\$16.6m	\$39.4m	\$30.5m
Repayment of borrowings	-\$14.2m	-\$18.1m	-\$14.4m	-\$23.5m
Dividends paid	-\$10.8m	-\$15.7m	-\$16.5m	-\$16.0m
<b>Net cash from / (used in) financing activities</b>	<b>-\$12.5m</b>	<b>-\$15.6m</b>	<b>\$8.5m</b>	<b>-\$7.4m</b>
Starting cash balance	\$62.9m	\$70.6m	\$63.8m	\$72.2m
<b>Ending cash balance</b>	<b>\$58.0m</b>	<b>\$51.0m</b>	<b>\$59.4m</b>	<b>\$51.3m</b>

### 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 page 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 and fund related entities 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 Interim 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** – Independent valuation experts 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
- Where relevant, the Audit and Risk Committee and Board of BAF

**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**  
*Monthly*

➤ 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**  
*Monthly*

➤ 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**  
*Monthly*

➤ 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**  
*Monthly*

➤ 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**  
*Annually*

➤ The Water Fund is audited annually by Deloitte



**BLA and BAF audit / review**  
*Every six months*

➤ 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**  
*Every six months*

➤ 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**  
*Every six months*

➤ Directors of the boards of BLA and BAF sign off on the Water Fund valuation as part of half year and full year reporting

# Glossary

<b>1H FY17</b>	Half financial year ended 31 December 2016
<b>1H FY18</b>	Half financial year ended 31 December 2017
<b>AASB</b>	Australian Accounting Standards Board
<b>ASX</b>	Australian Securities Exchange
<b>Atira</b>	Operator of student accommodation. Blue Sky owns 50% of Atira
<b>AUM</b>	Assets Under Management
<b>Aura</b>	Operator of retirement villages. Blue Sky owns 50% of Aura
<b>BAF</b>	Blue Sky Alternatives Access Fund Limited
<b>BLA, Blue Sky or BSAIL</b>	Blue Sky Alternative Investments Limited
<b>bps</b>	Basis points
<b>Cove</b>	Cove Property Group, a US based funds management business that invests in institutional grade commercial property. Blue Sky owns 38% of Cove
<b>cps</b>	Cents per share
<b>CY17</b>	Calendar year 2017
<b>EBIT</b>	Earnings before interest and tax
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>EPS</b>	Earnings per share
<b>FTEs</b>	Full time equivalent employees
<b>FY14</b>	Financial year ended 30 June 2014

<b>FY15</b>	Financial year ended 30 June 2015
<b>FY16</b>	Financial year ended 30 June 2016
<b>FY17</b>	Financial year ended 30 June 2017
<b>FY18</b>	Financial year ended 30 June 2018
<b>FY19</b>	Financial year ended 30 June 2019
<b>IFRS</b>	International Financial Reporting Standards
<b>IRR</b>	Internal rate of return
<b>n.a.</b>	Not applicable
<b>NPAT</b>	Net profit after tax
<b>NPBT</b>	Net profit before tax
<b>NTA</b>	Net tangible assets
<b>p.a.</b>	Per annum
<b>pcp</b>	Prior corresponding period
<b>PSP Investments</b>	Canada's Public Sector Pension Investment Board
<b>SME</b>	Small and medium-sized enterprises
<b>Student Quarters</b>	A US based funds management business that invests in institutional grade student accommodation. Blue Sky owns 60% of Student Quarters
<b>VC</b>	Venture Capital



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