

30 January 2020

ASX Announcement

Mainstream reports \$4.3 billion increase in Fund under Administration (FuA) for the quarter ended 31 December 2019

Highlights

- › FuA up by \$4.3 billion on prior quarter
- › FuA reaches a record total of \$187.5 billion
- › YoY growth of 27% (\$40.3 billion increase)

Mainstream key statistics

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	QoQ* growth %	YoY** growth %
FuA (\$billion)	\$187.5	\$183.1	\$172.8	\$162.8	\$147.2	2%	27%
No. of Clients	348	363	356	355 ¹	340 ¹	-4%	2%
No. of Funds	1,011	1,015	1,012	959	921	0%	10%

*QoQ growth represents the growth over the previous quarter ended 30 September 2019.

**YoY growth represents the growth over the previous 12-month period ended 31 December 2018.

Mainstream Group Holdings Limited (ASX: MAI) today announced that its Funds under Administration (FuA) grew to a record \$187.5 billion during the quarter ended 31 December 2019. This represented an increase of 2% on the prior quarter and 27% on the prior 12 months.

The number of clients decreased by 15 and net funds by 4 compared to the prior quarter, with some rationalisation of smaller clients and closure of smaller funds and closed-end funds reaching maturity.

The \$4.3 billion increase in FuA during the quarter can be broken down to:

- › Net inflows² from clients of -\$0.6 billion
- › Market movements of \$4.9 billion

¹ These prior quarters have been restated for comparative purposes to exclude 28 clients with dual contracts.

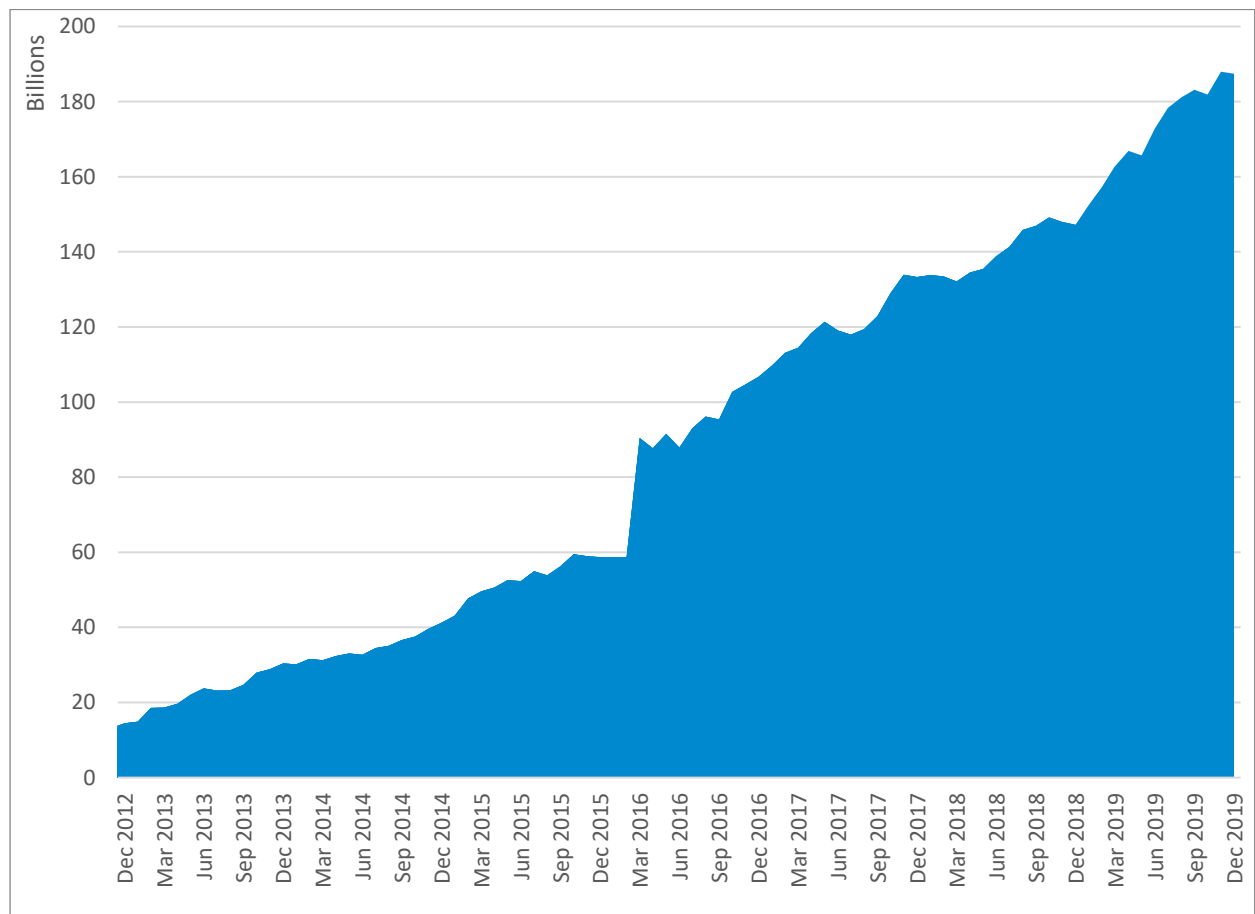
² Net inflows refers to applications and new clients less redemptions, cash distributions and lost clients.

There were solid increases in Mainstream’s strategic growth positions. Notably, funds under custody was up 36% on the prior quarter, from \$5.1 billion to \$7.0 billion with 34 new funds. The US Private Equity business increased its FuA by \$0.4 billion, or 7%, to \$6.7 billion during the quarter with 6 new funds.

Mainstream earns revenue based on long term contracts with its clients, with fees usually calculated based on a combination of minimum fees or basis points plus the number of transactions and investors.

Mainstream Chief Executive Officer Martin Smith commented, “We continue to see strong performance from our core clients in key markets. We also saw a strong increase in our funds under custody, up 50% over the last 12 months, which is a higher margin business unit and complementary to our fund service offering. We are seeing clients consolidate vendors and this benefits us with our broad fund administration capability and market coverage.”

Mainstream’s Funds under Administration (FuA) to 31 December 2019



Authorisation

This ASX Announcement has been authorised by the Company’s board of directors.

For more information

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About Mainstream Group Holdings

Mainstream Group Holdings Limited (ASX: MAI) provides fund and superannuation administration services underpinned by investment in people, processes and technology.

As at December 2019 the Group provides administration services to 1,011 funds and more than 105,000 investors with funds under administration in excess of AUD \$187 billion.

Mainstream employs 278 people, with operations in Australia, Singapore, Hong Kong, the United States, the Isle of Man, Malta, Ireland and the Cayman Islands.

For more information, please visit: <https://www.mainstreamgroup.com>.