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ASX Announcement / Media Release

MainstreamBPO announces acquisition of Galileo Fund Services Limited

- Expansion of MainstreamBPO's services to support UK based offshore funds
- Consistent with Group's strategy of acquiring established businesses with common technology platforms in fund administration hubs
- Expected to be earnings accretive

Fund administration company MainstreamBPO Limited group (ASX: MAI) has acquired Isle of Man based fund administrator Galileo Fund Services Limited ("Galileo") to increase its presence in the UK and the broader EU region.

Galileo is a privately held specialist fund administrator and corporate service provider based in the Isle of Man with current funds under administration of AUD \$1.1 billion. It has a diversified client base, supporting internationally invested funds domiciled in a number of jurisdictions including the Isle of Man and the British Virgin Islands.

The Company is now a wholly owned subsidiary of the Group and will continue to operate under its existing financial services licence issued by the Isle of Man Financial Services Authority who have approved the transaction. Consideration for the transaction was funded with proceeds from the Group's existing acquisition facility. Galileo's revenues are expected to contribute a 5% annualised increase to Group forecast revenue in FY17.

MainstreamBPO Chief Financial Officer Justin O'Donnell said "Having established administration processing capabilities near the UK is very important to the Group in order to capitalise on the £1 trillion of UK managed funds domiciled offshore.

"The Board believes the acquisition of Galileo will be a strong business and cultural fit for the Group given they operate PFS-PAXUS fund administration software in common with our other international businesses. We are attracted to Galileo's established market position and knowledge, strong operational processes and the experienced management team." said Mr O'Donnell.

Galileo Managing Director, Richard Bolton said "We look forward to realising the synergies between our two businesses and are excited by the benefits and growth opportunities which will come from being part of an internationally listed company."

No wholesale changes are expected to be made to Galileo's current operations, with all services to continue to be provided from the Company's existing premises in Douglas, Isle of Man. All of the Company's employees, including founding principals Richard Bolton and Ian Dungate, will be joining the Group.

The Isle of Man is a self-governing British Crown dependency which is regarded as being a well regulated jurisdiction and an important player in the offshore funds sector with particular focus on the administration of listed and unlisted closed-ended investment companies. As at March 2016 the Island had assets under management/administration of US\$22 billion.



For more information

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About MainstreamBPO

MainstreamBPO is one of the largest independent fund administrators in Australia. The Company provides fund administration, superannuation administration and share registry services for a diversified client base of fund managers and superannuation trustees.

The Company operates three businesses:

- > FundBPO: provides fund administration services for investment managers
- > SuperBPO: provides superannuation administration services for superannuation trustees
- > ShareBPO: provides share registry services for listed companies and exchange-traded funds.

MainstreamBPO has seen exceptional growth since its inception ten years ago. As at September 2016 administration services are provided to 449 funds with assets in excess of \$95 billion, supporting more than 123,000 investors and employing over 130 people.

MainstreamBPO has operations in Sydney, Melbourne, Singapore, Hong Kong, New York, Malta and the Isle of Man.

About Galileo Fund Services

Galileo is a specialist provider of administrative, corporate secretarial and accounting services to listed and unlisted closed ended investment companies. The Isle of Man based company has been providing high quality and professional administrative services to offshore funds and investment companies since 2004 and has become one of the Island's leading and most successful fund and investment company administrators.

Galileo is licensed by the Isle of Man Financial Services Authority to conduct investment business and as a Corporate Service Provider.