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The Manager
Company Announcements Office
ASX Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

YBR SMARTER MONEY AWARDED “HIGHLY RECOMMENDED” INVESTMENT RATING

Yellow Brick Road Holdings (ASX: YBR) is pleased to announce that the independent asset-consulting firm, Atchison Consultants (“Atchison”), has upgraded its existing investment rating on the YBR Smarter Money (“Smarter Money”) active cash fund from “Recommended” to “Highly Recommended”. Atchison advise a range of large super funds and investment platforms.

Since its launch over two years ago, Smarter Money has returned 5.9 per cent annually after all fees and raised over \$150 million in new institutional and retail capital (exact returns will depend on the unit class).

Atchison’s report concluded that “the Fund has achieved and surpassed its investment objective, generating strong performance over one and two year periods and since inception”.

“The Fund has substantially outperformed the benchmark, the UBS Bank Bill Index and the peer group since inception,” the Atchison report, which was written by Atchison principal, Jake Jodlowski, said.

Matt Lawler, CEO of Yellow Brick Road, noted that with the RBA cash rate at a record 2.5 per cent low, and banks seeking to tap cheaper wholesale bond markets for funding, depositors were finding it difficult to get cash returns above 3.5 per cent annually.

“Deposit rates have been falling as banks have been able to source cheap money in the bond market,” Mr Lawler said. “This has made the search for reasonable yield even more difficult for savers and retirees. We believe Smarter Money has an important role to play in helping investors earn superior returns with low levels of risk.”

The Atchison report found that compared to competing funds in the active cash or short-term fixed-interest universe, Smarter Money was in the “top quartile over the one and two year period and since inception”.

Atchison says a “Highly Recommended” rating means that “the manager and its product have excelled across all of our assessment criteria”. “We expect the manager’s product to perform well ahead of a

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reasonably appropriate risk and return objective for the product over a full investment cycle,” the report explained.

One of Smarter Money’s portfolio managers, Darren Harvey, said, “we are delighted that Smarter Money has been a consistent top quartile performer after fees over the last one and two years. This is the third independent asset consultant recommendation Smarter Money has received and the fund is now available on five different platforms.”

Mr Harvey added that “because Smarter Money carries next to no interest rate “duration” risk [which refers to the capital sensitivity of its investments to interest rate changes] it can help diversify investors’ traditional fixed-rate bond holdings.”

“When interest rates do eventually normalise fixed-rate bonds will struggle while floating-rate investments, like Smarter Money, should thrive,” he said.

Since Smarter Money’s launch in early 2012 Atchison have upgraded the fund’s rating from “Investment Grade” to “Recommended” and now “Highly Recommended”.

YBR Smarter Money has an independent responsible entity and custodian, and all unit pricing is independently calculated by the fund administrator, FundBPO.

YBR Smarter Money is available through selected financial advisors, Yellow Brick Road branches, and online at <http://www.ybr.com.au/savings>. The investment manager is YBR Funds Management. More information on YBR Funds Management is available at <http://www.ybrfm.com.au>

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About YBR Funds Management

YBR Funds Management is an independent asset manager established in 2011. Our first “active cash” solution, called Smarter Money and launched in February 2012, has grown to over \$130 million. Our comparative advantages are in active cash management, active bond selection, active fixed interest securities selection and minimising credit and interest rate duration risks. We believe that there is a significant role for liquid active cash and low duration fixed interest to play in both individual and institutional portfolios. Our portfolio managers have over 40 years of experience and are augmented by an

institutional-sized credit research capability that focuses on identifying and mitigating downside risks. For more information visit www.ybrfm.com.au