



29 August 2016
ASX / Media Release

MainstreamBPO Limited final results for the full year ended 30 June 2016

- Revenue up 28% to \$18.9 million
- NPAT up 173% to \$1.0 million
- Underlying EBITDA up 152% to \$2.3 million
- Funds under administration up 68% to \$88 billion
- Improved scale and margins in international operations
- Fully franked final dividend of \$0.01 per issued share

MainstreamBPO Limited group (ASX: MAI) today announced its results for the full year ended 30 June 2016.

For the twelve months to 30 June 2016 the group announced an after-tax profit of \$1.0 million, an increase of 173% over the prior corresponding period. Revenue was up 28% to \$18.9 million.

The below table reconciles MainstreamBPO's net profit after income tax of \$1.0m to its underlying EBITDA of \$2.3m for the twelve months ended 30 June 2016 compared to the prior corresponding period.

	Twelve months to 30 June 2016 \$	Twelve months to 30 June 2015 \$
Profit after income tax expense	1,029,235	376,351
Add:		
Income Tax Expense	336,929	36,622
Amortisation and depreciation expense	462,565	400,581
Interest expense	91,871	111,377
EBITDA	1,920,600	924,931
Share-based payments expense	411,790	-
Underlying EBITDA*	2,332,390	924,931

** Underlying EBITDA is EBITDA adjusted for shared-based payments expense of \$411,790 incurred in the twelve months to 30 June 2016 in connection with the initial public offering (IPO).*

Funds under administration rose 68% during the year to \$88 billion from \$52 billion at 30 June 2015. This was due to a combination of organic growth of existing clients and new business. In the same period, the number of funds administered grew from 265 to 434 funds.

During the year the group executed several transactions to improve its distribution capability and operating margins, including:

- › Purchase of Alter Domus' Hong Kong and Singapore hedge fund administration business in October 2015, adding scale and higher operating margins to our offshore business.



- › Going live with one of the largest unit registry transitions in Australia via the 'lift and shift' of \$25 billion of Funds under Administration from a major financial services provider in March 2016.
- › Considerable investment in the group's hedge fund administration software, improving the cost structure and establishing a common technology platform for our international businesses.

Commenting on the 2016 full year results Byram Johnston, MainstreamBPO's Chairman and Managing Director, said "This was a very significant year for the Group, having listed on the ASX, delivered our first results as a public company and celebrated 10 years of operations. We are pleased with our continued growth and the scalability of our business model and believe the Group is well positioned to continue its earnings momentum."

Mr Johnston continued "With the recently announced acquisition of New York based hedge fund administrator *Fundadministration, Inc*, we will increase our exposure to North America, the world's largest hedge fund market. We also expect organic growth to continue in our home and Asian markets."

For more information

Byram Johnston

CEO

MainstreamBPO

bjohnston@mainstreambpo.com

T +61 419 515 352

Alicia Gill

Marketing Manager

MainstreamBPO

agill@mainstreambpo.com

T +61 2 8259 8859

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 in 2006 and now provides administration services to over 430 funds with assets in excess of \$88 billion, supporting more than 123,000 investors.

The Company's operations generate predictable revenue streams based on ongoing contracts with clients for the supply of administration services. The Company has a strong competitive position and track record of providing fund services.

MainstreamBPO has operations across Asia-Pacific, with offices in Sydney, Melbourne, Singapore and Hong Kong, as well as New York, employing over 120 people.