

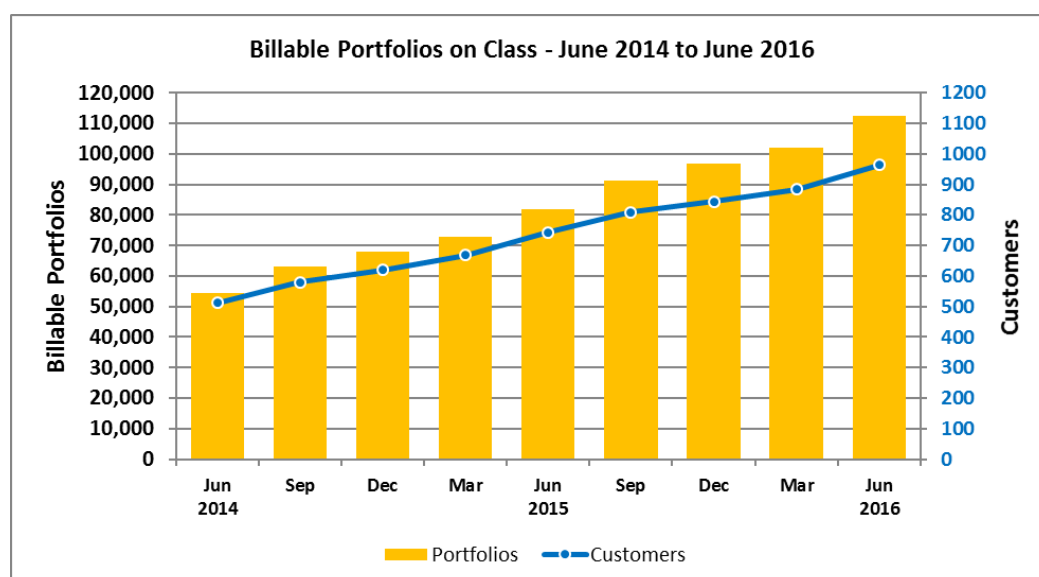
12 July 2016

CLASS LIMITED (CL1) ASX ANNOUNCEMENT

SHAREHOLDER UPDATE – MORE RECORDS ACHIEVED

Welcome shareholders to our update for the quarter ending 30 June 2016. I'm pleased to report that your company has achieved record billable portfolio results this quarter.

- Billable portfolios increased by a record **10,475**, our ninth consecutive quarterly increase (relative to previous corresponding period), to a record total of **112,441** billable portfolios.
- June was a record month, aided by the signing of the Findex group, with **5,081** portfolios added.
- We also had a record 6 months with **15,804** portfolios added and a record year with **30,618**.
- Over the year our market share of the estimated 576,000 SMSFs increased from 16% to **19.2%**.



- Total billable portfolios at 30 June 2016 comprised 110,614 Class Super SMSFs and 1,827 Class Portfolio.

Proposed changes to Superannuation

There has been a lot of commentary around the proposed changes to superannuation announced in the recent Federal Budget. Regardless of what changes may in time be implemented, superannuation remains a strong platform for retirement savings, is compulsory and is supported by both sides of Parliament. SMSFs continue to provide a flexible cost effective platform for larger balances.

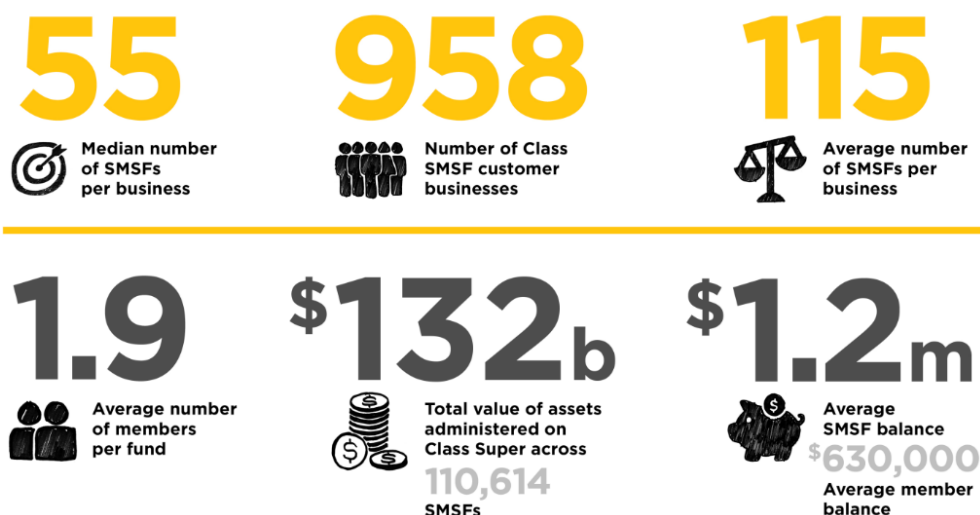
Class charges its customers on a per portfolio basis, not on the overall fund balance, so the size of the fund has no impact on the fees we charge.

Also, should fund members with higher balances choose to invest outside of superannuation, this may result in an increase in demand for Class Portfolio, our accounting and reporting solution for non-super investment portfolios.

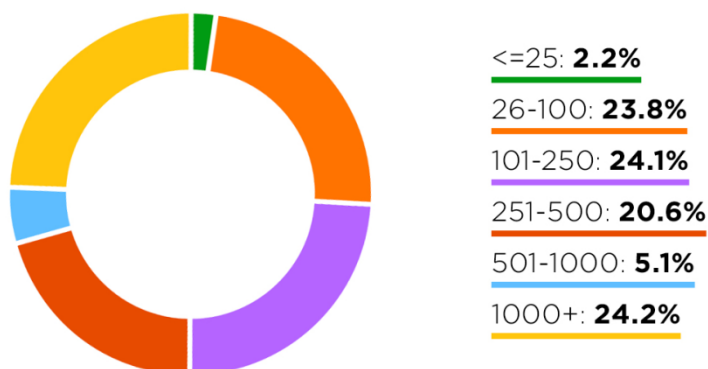
Class SMSF Benchmark Report

Class believes it is important for our customers and other participants in the industry to have access to timely and factual data and key metrics about their industry, their peers and the SMSFs they service.

To address this, we are launching a quarterly *Class SMSF Benchmark Report*. The Report is compiled using de-identified data extracted from across the Class Super user base, providing an up to date view across a significant portion of the SMSF sector.



Proportion of Class SMSFs by Customer Size



If you would like to receive the *Class SMSF Benchmark Report*, simply [register](#) your details.

Class Annual Conference

Our second annual conference takes place on the Gold Coast from 2-4 August. This year's packed program features two business streams, together with a Class technical product and support stream.

The event will deliver critical business and technology insights to accountants and advisers, an excellent networking platform and the opportunity to meet with a wide range of Class business partners.

The conference has been specifically tailored to accountants in public practice and advisers, and should not be missed. Further details are available at www.ccc2016.com.au

Appointment of new Sales Director

We're pleased to announce the recent appointment of a new executive, Joel Smith, who joins Class as Sales Director. Joel brings excellent sales and industry experience to the business, having spent the last 5 years in sales leadership roles at MYOB, where he managed teams responsible for selling software solutions to accountants, bookkeepers and financial advisers. Joel will be attending our Conference in August, so anyone attending will have an opportunity to meet him then. This key appointment will allow Richard Barber to focus on his new role as Sales Director, Class Portfolio.

Award Wins

For the third year in a row, Class has won the *Best SMSF Software Provider of the Year* in the *2016 SMSF Adviser Awards*. This is a key industry award and a strong reflection of both our high quality software, and the excellent team of people that sits behind it.

We were also very pleased that Class Super was voted *Winner Overall User Satisfaction with SMSF Software* for the second consecutive year, in the *2016 Investment Trends SMSF Accountant Report*.

Quarterly Dividend and Full Year Results

Class expects to pay the next quarterly dividend on 12 August 2016 and to release its Annual Results on 16 August 2016.

Thank you for your continued support of Class.

A handwritten signature in black ink, appearing to read 'Barry Lambert'.

Barry Lambert, Chairman

barry.lambert@class.com.au

For further information please contact:

Kevin Bungard, CEO, 0404 097 977
kevin.bungard@class.com.au

Lilian Keaty, Marketing Director, 0449 697 035
lilian.keaty@class.com.au