



2017 Results Presentation



MOELIS
AUSTRALIA

www.moelisaustralia.com

Moelis Australia is a leading diversified financial services group incorporating Corporate Advisory, Equities and Asset Management

GROUP

- Our culture is based on employee and client trust
- Executives own approximately 40% of the Company and have long term vesting interests, promoting alignment and passion
- Our leadership team today is the same team that founded the business – we mentor and promote from within
- Our culture enables us to hire the best, most innovative people who perpetuate an environment of partnership, passion, innovation, optimism and hard work
- Our business model allows for significant synergies to be extracted from each division
- Our balance sheet strength enables us to complete transactions and has accelerated our growth

CORPORATE ADVISORY & EQUITIES

- Established with a philosophy of offering unbiased advice of the highest quality
- Leverages the global network of NYSE listed global investment bank Moelis & Company
- Strong track record of implementing market leading strategies to solve our clients most critical business decisions

ASSET MANAGEMENT

- Provides unique alternative asset opportunities to institutional and sophisticated investors
- Investment philosophy is guided by focusing on asset classes with which we have deep knowledge
- Co-investment in our managed funds by the Company and our staff, demonstrates alignment and conviction

Results Highlights

- Record result, materially exceeding IPO guidance
- Underlying Revenue of \$107.2 million – 46% higher than IPO forecast of \$73.2 million
- Underlying EBITDA¹ of \$41.6 million – 10% higher than last market update (15 November 2017)
– 77% higher than IPO forecast of \$23.5 million
- Underlying Earnings Per Share of 23.0¢ per share – 70% higher than IPO forecast of 13.5¢ per share
- Assets Under Management of \$2.9 billion – Up \$1.8 billion in 2017
- At 31 December 2017, Net Assets of \$215.6 million (incl. \$118.2 million in cash and liquid investments)

NOTES:

1. Refer to slide 17 of this presentation for a reconciliation of Underlying EBITDA to statutory financial statements

Full Year Earnings Overview

- **Group Underlying EBITDA¹ of \$41.6 million for FY17**
 - Underlying operational cash flow exceeds Underlying EBITDA (102%)
 - Underlying EBITDA margin of 39% in FY17 compared with 32% in FY16 reflecting efficiency alongside strong growth
- Underlying EPS of 23.0 cents/share, 70% higher than IPO forecast (13.5 cents/share)
- Declaration of a fully franked dividend of 7.0 cents/share. To be paid on 6 March 2018 (to shareholders on the register at 28 February 2018)
- Asset Management revenue in 2H17 was \$30.9 million, 147% higher than 1H17 revenue (\$12.5 million). Acceleration in second half revenue due to significant AUM growth
- Net tangible assets of \$190.2 million

Operational Highlights

- Assets Under Management grew by \$1.8 billion with multiple new funds launched
- Retained cash from operations of approximately \$34 million in FY17 will assist growth momentum in FY18
- Corporate Advisory achieved \$1.5 million revenue productivity per executive, above our historic target range reflecting strong activity levels and strengthened business model post IPO
- Completed approximately \$7.7 billion in Corporate Advisory and ECM transactions across 52 client engagements

FY17 Milestone Events

- | | |
|------------------|--|
| April | MOE listed on ASX with issue price of \$2.35 |
| May | Acquired Armada Funds Management for \$30 million, adding \$800 million in real estate AUM |
| June | Acquired Redcape Hotel Group for \$677 million (MOE invested \$40 million)
Increased Underlying EBITDA guidance to \$29 million (+23% above IPO forecast) |
| August | Announced 1H17 Results. Upgraded full year forecast Underlying EBITDA to \$33 million (+40% above IPO forecast) |
| September | Completed \$110 million equity raising at \$5.00 per share and raised \$32 million in unsecured notes
Acquired a 70% interest in Aged Care owner/operator Infinite Care for \$45 million (MOE invested \$7 million) |
| November | Upgraded forecast full year Underlying EBITDA to at least \$38 million (+62% above IPO forecast)
Redcape Hotel Group contracted to acquire an additional 3 hotels for \$100 million |
| December | Completed \$60 million follow-on equity raising in Redcape Hotel Group (MOE invested \$6 million) |

NOTES:

1. Refer to slide 17 of this presentation for a reconciliation of Underlying EBITDA to the statutory financial statements

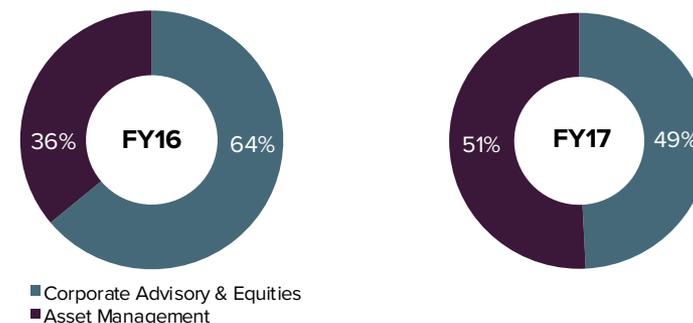
Growing Underlying Revenue and EBITDA Margin

Since 2014 we have consistently grown underlying revenue while also expanding our underlying EBITDA margin. This reflects the strengthening of the business model, increased scale and a focus on operational efficiency

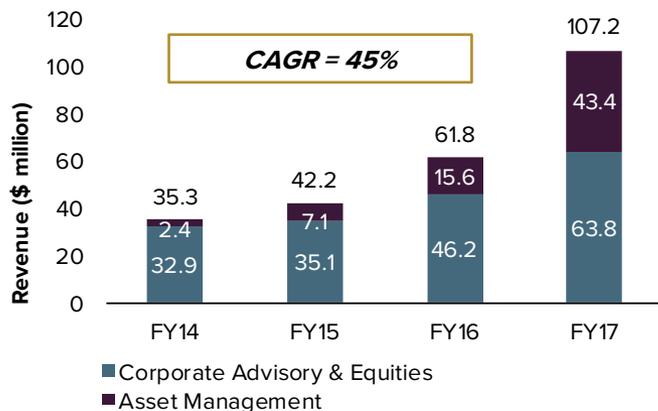
KEY FINANCIALS

Financial Year end 31 Dec		FY17	Growth on FY16
Underlying Revenue			
Corporate Advisory and Equities	[\$m]	63.8	+38%
Asset Management	[\$m]	43.4	+178%
Total Underlying Revenue	[\$m]	107.2	+73%
Underlying EBITDA¹			
	[\$m]	41.6	+111%
Underlying NPAT	[\$m]	29.1	+111%
EPS	[¢]	23.0	+70%

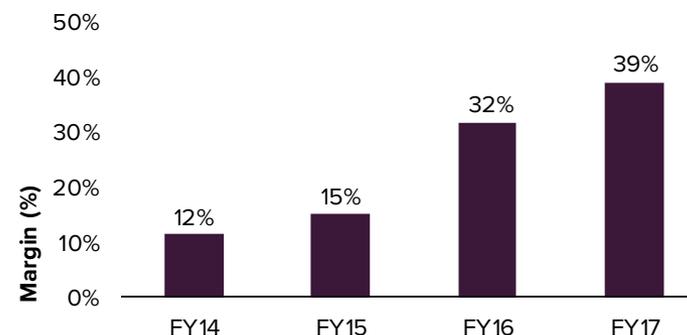
SEGMENT EBITDA CONTRIBUTION



GROUP UNDERLYING REVENUE



GROUP EBITDA MARGIN



NOTES:

1. Refer to slide 17 of this presentation for a reconciliation of Underlying EBITDA to statutory profit before tax from the statutory financial statements

Divisional Performance

Corporate Advisory & Equities

Corporate Advisory and Equities		FY16	1H17	2H17	FY17
Client Revenue Transaction Fees	[\$m]	39.5	19.1	36.0	55.1
Retainers	[\$m]	6.7	4.8	3.9	8.7
Total Underlying Revenue	[\$m]	46.2	23.9	39.9	63.8
Underlying EBITDA	[\$m]	12.7	5.5	15.0	20.5
Underlying EBITDA Margin	[%]	27%			32%
Number of client engagements	[#]	38			52
Value of transactions completed ¹	[\$bn]	3.6			7.7
Corporate Advisory Head Count ²	[#]	33			34
Corporate Advisory Revenue / Executive	[\$m]	1.1			1.5
Equities Head Count ²	[#]	18			19

KEY TAKEAWAYS

- FY17 Corporate Advisory result very pleasing
- Headcount stable
- Retainers benefit monthly cashflow
- Second-half Advisory revenue traditionally stronger than first-half

NOTES:

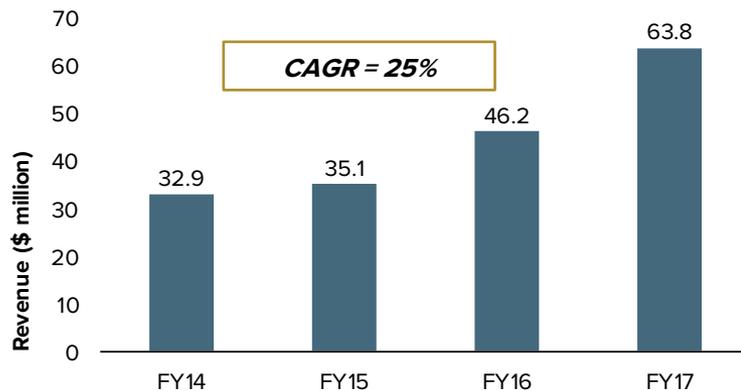
1. Represents total transaction value of completed Corporate Advisory engagements
2. Average full time executives during 2017

Divisional Summary

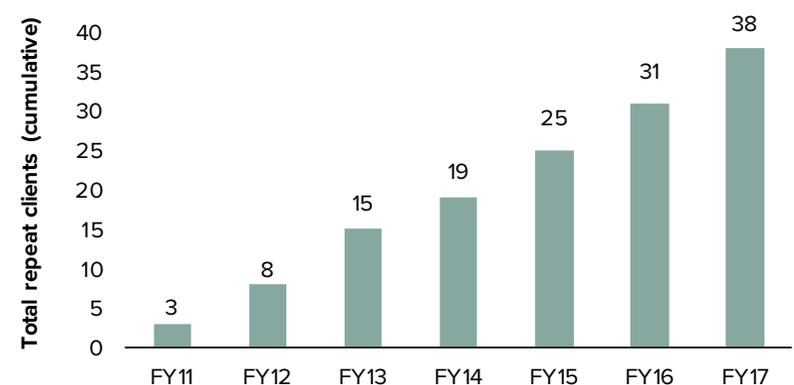
Corporate Advisory & Equities

- Strong growth in Advisory revenue. Equities commissions stable
- Consistent improvement in Corporate Advisory productivity (revenue contribution per executive head is our measure)
- Executive time in business – not high priced hires – delivers revenue and productivity gains
- Repeat advisory clients (more than 1 fee event) grows over time. 3 in FY11, 38 in FY17
- Revenue a mix of transaction fees and retainers (circa 80% / 20%)
- Equities business has consistent commission flow. Enabler for client ECM and assists in raising funds for Moelis Australia Asset Management opportunities
- Synergies between business segments adding genuine value for clients and MOE shareholders
- Brand recognition continues to grow benefitting the overall business

CORPORATE ADVISORY & EQUITIES REVENUE



REPEAT ADVISORY CLIENTS



Corporate Advisory & ECM

Select Transactions

December 2017



~A\$1.2 billion

Capital Restructuring
Financial Advisor to Bis Industries

December 2017



A\$110 million

Purchase of Brownes Dairy
Financial Advisor to Ground Food Tech Co. Ltd

December 2017



~US\$318 million

Capital Restructuring
Financial Advisor to Noteholders

December 2017



~A\$16 million

Follow on Funding
Lead Manager and Financial Advisor

October 2017



A\$90 million

Acquisition of controlling interest in Infinite Care
Exclusive Financial Advisor to Moelis Australia Aged Care Fund

October 2017



A\$60 million

Accelerated Non-Renounceable Entitlement Offer
Lead Manager and Underwriter

September 2017



US\$723 million

Recapitalisation
Financial Advisor to Centrebridge Partners

August 2017



**~A\$609 million Restructure
~A\$213 million Sale**

Capital Restructuring and Sale
Financial Advisor

July 2017



A\$677 million

Acquisition of Redcape Group
Financial Advisor

June 2017



A\$419 million

Merger of Centuria Metropolitan and Centuria Urban REITs
Financial Advisor

June 2017



US\$26 million

Series "B" financing round
Lead Investor and Financial Advisor

June 2017



A\$330 million

Merger with Pengana Capital
Financial Advisor to Hunter Hall Limited

May 2017



Undisclosed sum

Sale of New Zealand Steel Mining Asset
Financial Advisor

May 2017

grays:e-commercegroup

A\$179 million

Acquisition of Grays eCommerce Group by Eclipx Group
Financial Advisor to Grays

April 2017



A\$976 million

Takeover of Bradken Limited
Financial Advisor to Hitachi Construction Machinery

Divisional Performance

Asset Management

Asset Management		FY16	1H17	2H17	% increase on 1H17	FY17
Base Fee Revenue	[\$m]	14.4	10.3	19.6	90%	29.9
Transaction Fee Revenue	[\$m]	0.7	1.3	7.0	438%	8.3
Performance Fee Revenue	[\$m]	0.5	-	-	n.a	-
Income on Strategic/Co-Investments	[\$m]	0.0	0.9	4.3	378%	5.2
Total Asset Management Revenue	[\$m]	15.6	12.5	30.9	147%	43.4
EBITDA	[\$m]	7.0	6.5	14.6	125%	21.1
EBITDA Margin	[%]	45%				49%
End of Period AUM	[\$bn]	1.1	1.8	2.9	61%	2.9
Beginning of Period AUM	[\$bn]	0.8	1.1	1.8	64%	1.1
Net AUM Growth	[\$bn]	0.3	0.7	1.1	57%	1.8

KEY TAKEAWAYS

- 2H17 Revenue 147% higher than first half
- No performance fees recognised in FY17
- Recurring income from base fees and co-investment revenue underpins annual annuity income

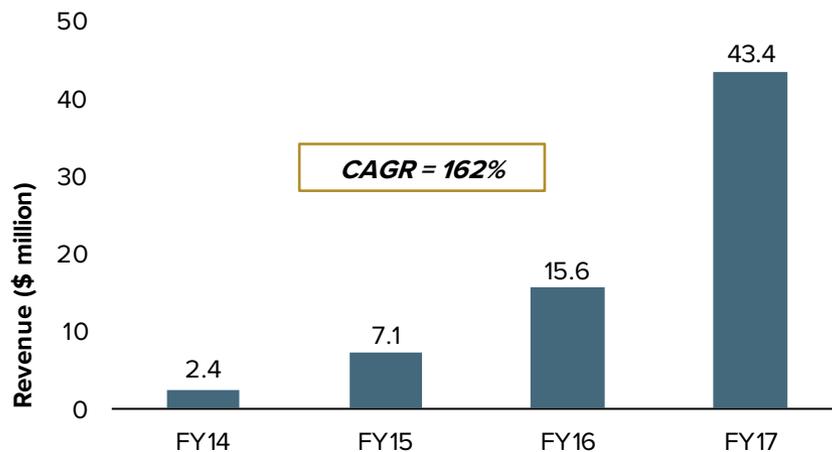
Divisional Summary

Asset Management

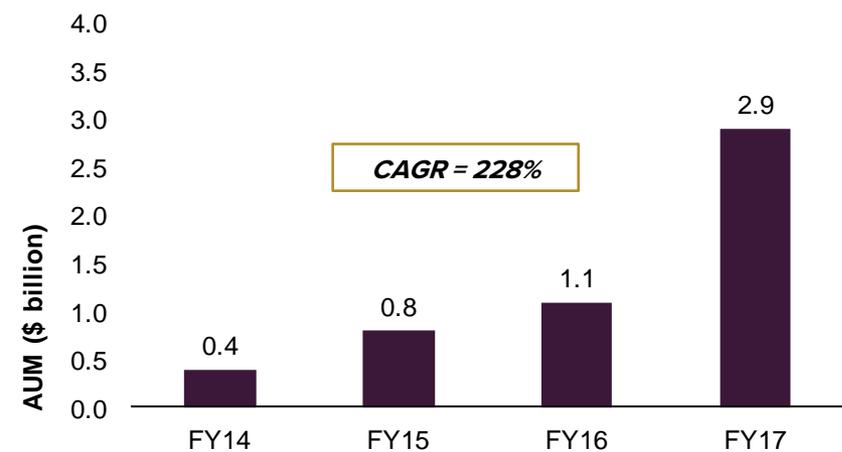
Active in a wide range of industries. Focus on areas with strong macroeconomic trends and assets that we understand and have strong risk adjusted returns

- Growth in AUM from \$25 million in Jan 2014 to \$2.9 billion at 31 Dec 2017 (228% CAGR)
- Focus on alternative assets and other higher return / higher margin funds
- Portfolio companies such as Redcape and Infinite provide significant long-term opportunities
- Active in industries including Hotels, Real Estate, Childcare, Agriculture, Technology and Aged Care
- Significant base of HNW Chinese and Australian clients plus sovereign and institutional investors
- Asset Management revenue in FY17 (\$43.4 million) more than 2.8x FY16 (\$15.6 million)
- Asset Management revenue for 2H17 (\$30.9 million) more than 2.5x 1H17 (\$12.5 million)
- 56% of Group Underlying EBITDA was from Asset Management (on an annualised basis). Expected to increase over time
- Investment in talent and platform to underpin capability and future growth

REVENUE



ASSETS UNDER MANAGEMENT



NOTES:
1.Refer to slide 17 of this presentation for a reconciliation of Underlying EBITDA to statutory profit before tax from the statutory financial statements

Select Funds Track Record

SENIOR SECURED OPPORTUNITIES FUND I



Launched July 2016, expected to end in mid 2018



98% of capital invested has been returned to investors with expected IRR for the life of the fund of >15%+ p.a. post all fees (above forecast)



Established to capitalise on macro trend in credit markets (borrowers find it hard to secure financing) and our capacity to source and structure attractive credit products for our clients

HEALESVILLE SHOPPING CENTRE FUND



Purchased in 2013, successfully exited in 2016



Delivered an IRR of 20% p.a. to investors post all fees

GRAND HOTEL FUND



Purchased in 2015. Fund ongoing



Currently yielding 18.1% cash p.a. on cost, current IRR of ~29% p.a. to our investors post fees

Current / Recent Funds

SENIOR SECURED CREDIT FUND II



Commenced marketing. Fund size \$105 million



Forecast IRR of 12% p.a. including 5% cash yield post all fees



Moelis Australia will co-invest

INFINITE AGED CARE FUND



Forecast IRR of ~20%+ p.a.



Exposure to favourable industry dynamics due to Australia's ageing population and undersupply of aged care facilities



Fund raising upsized

REDCAPE HOTEL FUND



Forecast IRR of ~13% p.a. including cash distribution of 8.3%+ p.a. (paid quarterly)



Historically resilient revenue streams through economic cycles



Fund has made 4 acquisitions since establishment

Key Financials

Balance Sheet 31 December 2017

Moelis Australia is well capitalised. The strong balance sheet provides financial capacity to undertake transactions and can deliver attractive investment returns

Consolidated Balance Sheet (\$ million)	31-Dec-16	31-Dec-17
Cash and equivalents	37.2	87.8
Investments in Listed Investments	2.9	30.7
Investments in Unlisted Investments	6.7	107.0
Goodwill and Other Intangibles	-	25.4
Other Assets	26.8	34.0
Total Assets	73.6	284.9
Borrowings	-	32.2
Other Liabilities	40.8	37.1
Total Liabilities	40.8	69.3
Net Assets	32.8	215.6
(-) Goodwill and Intangibles	-	25.4
Net Tangible Assets	32.8	190.2

- Employee entitlements and tax

Key Financials

Financial Year 2017 Profit & Loss

Strong result with recurring nature of Asset Management revenue to underpin FY18. Acquisitions and performance driving compensation expense but improvement of Underlying EBITDA Margin reflects cost control

Financial Year end 31 Dec (\$ million) ^{1,2}	31-Dec-16	31-Dec-17
Underlying Revenue		
Corporate Advisory and Equities	46.2	63.8
Asset Management	15.6	43.4
Total Underlying Revenue	61.8	107.2
Expenses		
Compensation	(35.0)	(50.9)
Marketing and Business Development	(1.8)	(3.8)
Communications, IT & Market Data	(2.3)	(2.4)
Occupancy	(1.6)	(3.4)
Other Costs	(1.4)	(5.0)
Total Expenses	(42.1)	(65.5)
Underlying EBITDA^{1,2}	19.7	41.6
Underlying EBITDA Margin	32%	39%
Compensation Ratio	57%	47%
Interest Income (net)	0.3	0.5
Depreciation and Amortisation	(0.3)	(0.3)
Underlying PBT¹	19.8	41.8
Tax	(5.9)	(12.8)
Underlying NPAT¹	13.8	29.1

• Majority of increase attributed to Redcape head office and Armada staff costs. Includes non-cash share based compensations

• Moelis Australia Foundation contribution, public company costs and Redcape other costs

NOTES:

1. Figures may not sum due to rounding

2. Underlying EBITDA and other measures of underlying performance are not prepared in accordance with International Financial Reporting Standards and are not audited. Underlying EBITDA excludes certain items which are disregarded by management when assessing the Group's performance

Financial Year 2018

Outlook

Our focus is on long term sustainable growth

GROUP

- Pleasing start to the year across both segments
- Well positioned for possible volatile market conditions in 2018
- Recurring operating cash flow is strong

ASSET MANAGEMENT

- 56% of FY17 underlying EBITDA (annualised) derived from Asset Management
- We remain focused on growing Asset Management EBITDA contribution
- Significant Investor Visa pipeline strong
- Plan to list Redcape in 2018
- Considered approach to establishment of new funds

CORPORATE ADVISORY

- Robust Corporate Advisory pipeline but early in the year

CAPITAL MANAGEMENT

- Strong balance sheet has attracted inbound opportunities – business model is working
- Investable capital will be carefully managed pending strategic deployment. Objective to be highly disciplined in choosing strategic use of capital
- Continued investment in key talent and platform



I. Appendix

Financial Year 2017

Underlying EBITDA Reconciliation

EBITDA Reconciliation (\$ million) ¹	31-Dec-16	31-Dec-17
EBITDA per financial statements	14.4	43.1
<i>Management Adjustments</i>		
Listing costs ²	-	1.0
Restructuring Expense ³	5.7	0.2
Armada Acquisition Adjustments ⁴	-	2.4
Shares issued to staff as remuneration (long term vesting) ⁵	-	(8.4)
Unrealised gains / (losses) ⁶	(0.5)	3.3
Underlying EBITDA	19.7	41.6

IMPORTANT POINTS ON MANAGEMENT ACCOUNTING APPROACH

- Recorded revenue relates as near as possible to cash receipts. Asset Management performance fees related to increases in asset value are not accrued or recognised until invoiced. This is generally on disposal of an asset or end date of a fund. Therefore, despite the likely receipt of performance fees in future periods they are not taken as income nor included as assets on the balance sheet
- Shares granted as part of compensation have multi-year forfeiture (vesting) conditions. Despite the potential for compensation awards to be forfeited in later periods, management record the full expense in the year incurred in its Underlying EBITDA

NOTES:

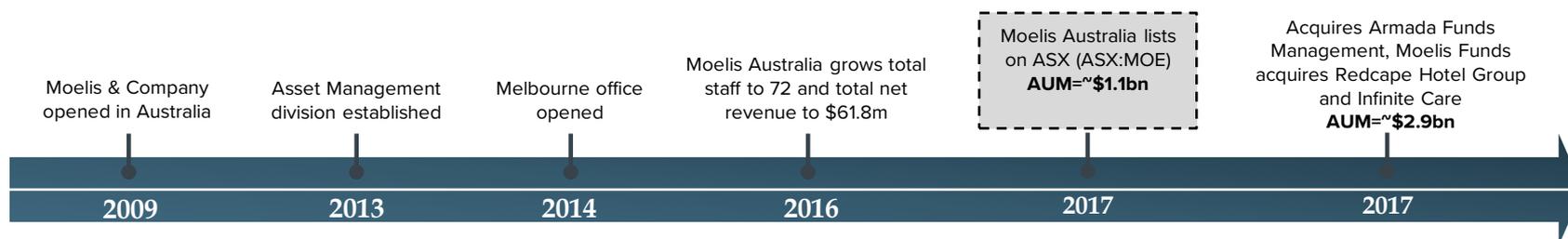
- Figures may not sum due to rounding
- The costs relating to the Company's Initial Public Offering
- The restructuring expense relates to a marketing services agreement accounted for as an onerous contract. The agreement was terminated in April 2017
- The adjustment for Armada comprises legal and other acquisition expenses, the amortisation of its intangible assets and the share based payment expenses relating to the shares issued to Armada's vendors (now Group employees).
- In the financial statements the value of share rights granted to employees is amortised over the vesting period (which is up to five years), with only a portion of the value being expensed in 2017. The underlying result includes the full value of the grant as an expense in 2017
- Unrealised gains are shown as "other comprehensive income" in the financial statements

Moelis Australia Snapshot

Founded in 2009 as a joint venture with NYSE listed Moelis & Company (market cap ~US\$2.7 billion¹)

- Experienced executive team with personal investment of >\$350m¹ in MOE (40% ownership)
- Global reach with Moelis & Company (c.33% shareholder) strategic alliance
- Funds managed by Moelis Australia are deeply research based – focus on alternative assets
- Employer of choice – low staff turnover – we grow our own talent
- More than 130 staff and over 10 graduate and intern placements per annum
- Group EBITDA margin growing reflecting increasing contribution from Asset Management (FY17 39% vs FY16 32%)
- Over \$2.9 billion in AUM today across more than 30 funds in multiple asset classes

HISTORY



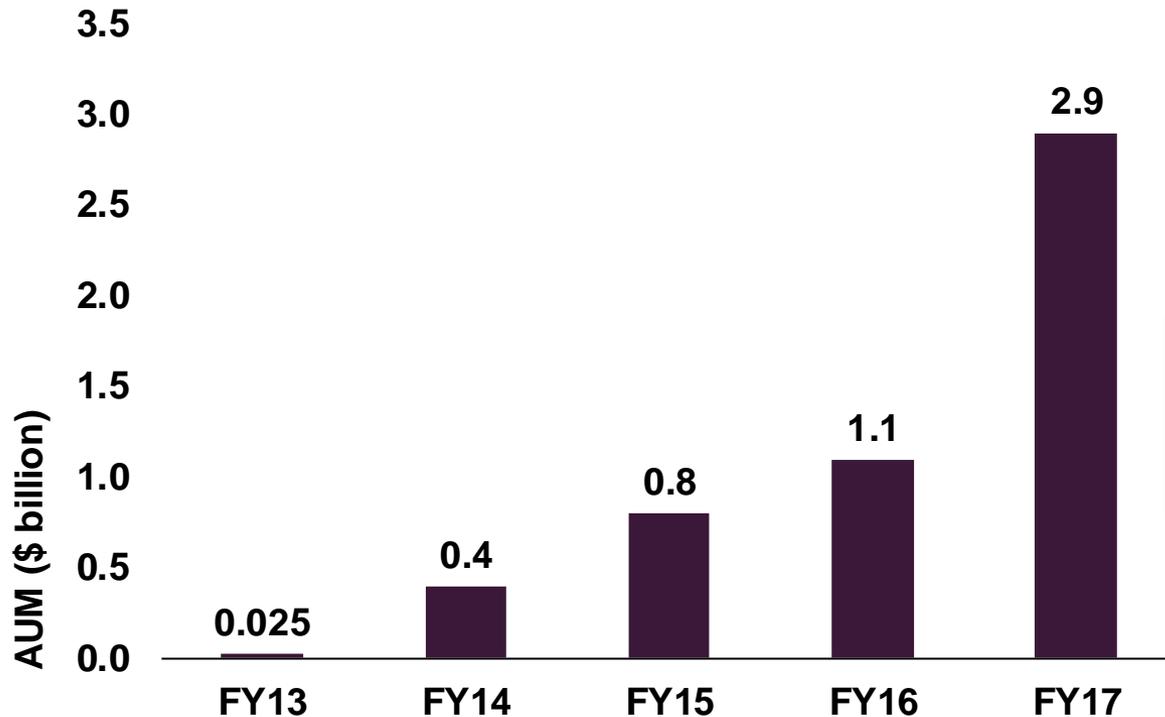
NOTES:

1. As at close of trading 31 December 2017

Asset Management

AUM Growth and Composition

- FY17 AUM GROWTH OF \$1.8 BILLION
- FOCUS ON ALTERNATIVE ASSET CLASSES
- CO-INVESTMENT PHILOSOPHY - ALIGNMENT
- MACRO-THEMES
- FOCUS ON DOWNSIDE PROTECTION
- 30+ FUNDS TODAY



Corporate Advisory & Equities

Selection of Clients & Transactions

Moelis Australia has worked on some of the largest and most complex transactions in the Australia Pacific region but additionally works with high growth businesses across a range of sectors with both domestic and international clients



Historical Financial Metrics

Moelis Australia Publicly Available Metrics ¹		FY14	FY15	FY16	FY17
		Actual	Actual	Actual	Actual
Corporate Advisory	[\$m]	27.8	28.7	36.6	54.2
Equities	[\$m]	5.1	6.4	9.6	9.6
Asset Management	[\$m]	2.4	7.1	15.6	43.4
Total Revenue	[\$m]	35.3	42.2	61.8	107.2
EBITDA	[\$m]	4.1	6.4	19.7	41.6
EBITDA margin	[%]	12%	15%	32%	39%
NPAT	[\$m]	2.3	4.6	13.9	29.1
EBITDA Contribution					
CA&E	[%]	124%	91%	64%	49%
Asset Management	[%]	(24)%	9%	36%	51%
EBITDA Contribution					
CA&E	[\$m]	5.1	5.8	12.7	20.5
Asset Management	[\$m]	(1.0)	0.6	7.0	21.1
EBITDA margin					
CA&E	[%]	16%	17%	27%	32%
Asset Management	[%]	(42)%	8%	45%	49%
Corporate Advisory Metrics		FY14	FY15	FY16	FY17
Corporate Advisory Revenue per executive	[\$m]	1.0	0.9	1.1	1.5
Average executive headcount	[#]	28	32	33	34
Equities Revenue Metrics		FY14	FY15	FY16	FY17
Trading commissions per day	[\$m]	0.023	0.029	0.042	0.042
Trading days	[#]	254	254	254	254
Total Equities commissions	[\$m]	5.84	7.37	10.67	10.67
Equities Revenue	[\$m]	5.10	6.40	9.60	9.60
Asset Management Metrics		FY14	FY15	FY16	FY17
AUM (End of Period ("EOP"))	[\$m]	400	800	1,100	2,900
Implied Revenue / AUM EOP	[%]	0.6%	0.9%	1.4%	1.5%
AUM Implied (Average Over Period ("AOP"))	[\$m]	400	600	950	2,000
Implied Revenue / AUM AOP ²	[%]	0.6%	1.2%	1.6%	2.2%

NOTES:

1. Figures are based on Underlying Financial Metrics and reflect the manner in which management evaluate the performance of the business. Some figures may not agree to the corresponding figures in the financial statements which are prepared under International Financial Reporting Standards.

2. Includes base management fees, investment income, transaction fees, and Redcape operations

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Unless otherwise specified all information is for the full-year ended 31 December 2017. Reporting is in Australian Dollars.

Certain financial information in this presentation is prepared on a different basis to the Moelis Australia Limited Consolidated Full Year Financial Report, which is prepared in accordance with Australian Accounting Standards. Where financial information presented within this presentation does not comply with Australian Accounting Standards, a reconciliation to the statutory information is provided.

This presentation provides further detail in relation to key elements of Moelis Australia's financial performance and financial position.

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