



MYOB Finance Australia Limited ACN 161 013 654
Registered office: Level 3, 235 Springvale Road, Glen Waverley, VIC 3150

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

31 March 2015

Market Announcements Office
ASX Limited

Announcements by MYOB Group Limited

Please find enclosed 2 announcements to the ASX on behalf of MYOB Finance Australia Limited's parent company, MYOB Group Limited.

Ian Boylan
Company Secretary
MYOB Finance Australia Limited

For personal use only



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

31 March 2015

MYOB lodges IPO Prospectus

Opportunity to invest in a leading innovative Australasian technology business

MYOB Group Limited (MYOB) today lodged with the Australian Securities and Investments Commission (ASIC) a Prospectus for an initial public offering (IPO or Offer) and listing on the Australian Securities Exchange (ASX) of its fully paid ordinary shares (Shares). The offering to retail and institutional investors is expected to raise total proceeds of A\$831.7 to A\$833.8 million based on an indicative price range of A\$3.00 – A\$4.00 per Share, valuing the company at a total enterprise value of A\$2.34 to A\$2.69 billion.

Established in 1991, MYOB is Australia and New Zealand's leading accounting software provider. It makes business life easier for over 1.2 million businesses across Australia and New Zealand by simplifying accounting, payroll, tax, CRM, websites, job costing, practice management, inventory, mobile payments and more.

MYOB is currently majority-owned by Bain Capital. Bain Capital will not sell any of its Shares in the Offer. At completion of the Offer, Bain Capital will hold approximately 57% of the total issued capital of the Company, assuming that the Final Price is at the mid-point of the Indicative Price Range and that 50% of the Existing Retail Notes are exchanged through the Noteholder Exchange Offer. Bain Capital has entered into an escrow arrangement in relation to its Shares.

Justin Milne, MYOB chairman, said MYOB is well positioned to carry out its growth strategy and continue to build on its leading position in small business and payroll software through the rapid growth of cloud solutions.

"The return of MYOB to the ASX after six years of private ownership represents a great opportunity for both shareholders and our clients," Mr Milne said. "MYOB is a market leader within each segment it operates, and the company continues to innovate in its key markets of Australia and New Zealand."

Tim Reed, Chief Executive Officer of MYOB, said the IPO was a significant event for the company.

"The company has taken enormous strides in recent years under the ownership of Bain Capital. We have made significant investment into R&D in the business to innovate and further drive our leadership through our range of cloud accounting solutions," Mr Reed said. "We continued to capitalise on this strong base with rapid adoption from both new and existing clients, with 67% of new clients choosing cloud products and more than 116,000 paying subscribers using our cloud solutions as at 31 December 2014."

MYOB Director, Craig Boyce, said. "MYOB is an exciting and dynamic business that has transformed into an innovative cloud business. It has been rewarding to go on the journey with MYOB and we look forward to our continued investment in the company to support its strong growth objectives".

Strengths of the business include:

For personal use only

- *A Market Leader –*
 - MYOB is the market leader in the SME Software Market by users, estimating that its users comprise approximately 60% to 65% of the total number of Accounting Software users.
 - MYOB is also the market leader in the Practice Software Market by revenue, estimating that its revenue last year comprised 60% to 65% of total revenues in this market.
 - MYOB is also a market leader in the Enterprise Software Market by revenue, estimating that revenue last year comprised approximately 15% of total revenues in this market.

- *Well-placed in a growing Australia and New Zealand market –*
 - The markets in which MYOB operates (Australia and New Zealand) are undergoing a growth period, underpinned by an increasing number of businesses using accounting software, increasing take-up of cloud solutions and increasing prices and functionality.
 - MYOB believes it is well-placed to benefit from the shift to the cloud, continuing its recent momentum in cloud market share and migration of its long-term desktop user base to the cloud.
 - MYOB also enjoys strong support among its SME customers and accountants, as well as strong brand awareness and reputation.

- *High user retention and recurring revenue and cash generation –*
 - MYOB maintains high user retention rates; the majority of users have been with the company for six years or more.
 - MYOB's SME user retention rate in FY2014 was 81%, up from 78% in FY2011.
 - MYOB has consistently maintained a high level of Recurring Revenue, increasing from 89% of total pro forma revenue in FY2012 to 94% in FY2014.

- *High cash generation and an attractive financial profile –*
 - MYOB's pro forma revenue has increased at a CAGR of 8% between FY2012 and FY2014.
 - MYOB has maintained its pro forma EBITDA margin (EBITDA as a proportion of total sales) at above 40% between FY2012 and FY2014.
 - MYOB has historically had a high cash conversion ratio post capital expenditure at 88% in FY2014.

- *Proven leadership –*
 - MYOB's management team has considerable experience in the software industry and with MYOB.
 - CEO Tim Reed was appointed in June 2008 and has been with the company for over 11 years; CFO Richard Moore has extensive financial management experience as the former CFO of Jetstar and BankWest Business.
 - Senior management are incentivised to drive MYOB's performance via their participation in both short-term and long-term incentive plans which are part of the Offer.

The Offer is being conducted to raise capital to reduce some existing liabilities (including senior debt and mandatory redeemable preference shares); allow Management Shareholders to partially monetise their investment; and provide MYOB with access to the capital markets to improve capital management flexibility. The Offer further intends to provide a liquid market for shares and an opportunity for others to invest in MYOB.

The retail component of the Offer includes a Broker Firm Offer, a Priority Offer and an Employee Offer and is scheduled to open on 13 April 2015. The Noteholder Exchange Offer is also scheduled to open on 13 April 2015. The institutional component of the Offer (Institutional Offer) is scheduled to open on 13 April 2015 and close on 27 April 2015. For further details, please see 'Important dates' and 'Key Offer statistics' below and read the Prospectus which contains detailed information about MYOB and its business, the details of the Offer and a description of the key risks associated with an investment in MYOB.

The Offer will be made pursuant to the Prospectus. Anyone considering investing in the Offer should read the Prospectus carefully and in its entirety before deciding whether to apply for Shares. Anyone who wants to acquire Shares will need to complete the application form that will be in or accompanying the Prospectus.

The Prospectus is available in electronic form at www.myobshareoffer.com.au. Persons having received a copy of the Prospectus in its electronic form may, before the closing date for the Offer, obtain a paper copy of the Prospectus (free of charge) by calling the MYOB Offer Information Line on 1800 992 613 (within Australia) or +61 1800 992 613 (outside Australia) from 8.30am to 5.30pm Sydney time, Monday to Friday (business days only). Any individual with questions in relation to the Offer should call the same helpline numbers as above.

Capitalised words used in this media release have the meanings given to them in the Prospectus unless otherwise provided.

Citigroup Global Markets Australia Pty Limited, Goldman Sachs Australia Pty Ltd, Merrill Lynch Equities (Australia) Limited and UBS AG, Australia Branch have acted as Joint Lead Managers to the Offer. Reunion Capital is financial adviser to the Offer. Clayton Utz is MYOB's Australian legal adviser. MYOB is also being represented by Ropes & Gray, Hong Kong, as to certain matters of U.S. federal and New York state law.

Key Dates of the Offer

Description	Date
Prospectus lodgement with ASIC	31 March 2015
Noteholder Exchange Offer opens	13 April 2015
Broker Firm Offer, Priority Offer and Employee Offer open	13 April 2015
Institutional Offer opens	13 April 2015
Noteholder Exchange Offer Closing Date	22 April 2015
Broker Firm Offer, Priority Offer and Employee Offer Closing Date	27 April 2015
Institutional Offer Closing Date	27 April 2015
Bookbuild to determine Final Price	29 – 30 April 2015
Final Price announcement to the market	1 May 2015
Expected commencement of trading on ASX (conditional and deferred settlement basis)	4 May 2015

-ends-

For further comment or other information please contact:

Australia

Sarah Beyrath, MYOB PR and Corporate Affairs Manager

P: 02 9089 90439 M: 0427 223 841 E: sarah.beyrath@myob.com

Dan Billings, FTI Consulting

P: 02 8298 6100M: 0447 010 499 E: daniel.billings@fticonsulting.com

Andrew Stokes, FTI Consulting
P: 02 8298 6100M: 0416 967 038 E: andrew.stokes@fticonsulting.com

New Zealand

Sarah Putt, MYOB NZ Public Affairs Manager
P: 09 925 3515 / M: 029 777 0256/ E: sarah.putt@myob.com

About MYOB

Established in 1991, MYOB is a market leading provider of business management software solutions in Australia and New Zealand. It makes business life easier for approx. 1.2 million businesses across Australia and New Zealand by simplifying accounting, payroll, tax, CRM, websites, job costing, practice management, inventory, mobile payments and more. MYOB also provides ongoing client support via many channels including a network of over 40,000 accountants, bookkeepers and other consultants. It is committed to ongoing innovation, particularly in cloud computing solutions, and spent more than AU\$100 million on research and development in the last three years.

IMPORTANT NOTICES

This announcement is only being distributed outside of the United States and may not be distributed, forwarded or otherwise used in the United States.

This announcement is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this announcement nor anything contained herein shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Additionally, any securities to be offered and sold in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the law of any state of the United States, and may not be offered, sold or resold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws.

For personal use only



NOT FOR DISTRIBUTION, USE OR RELEASE IN THE UNITED STATES

31 March 2015

MYOB announces appointment of Chairman and Directors

MYOB Group Limited (MYOB) today announced the appointment of three independent non-executive directors in connection with its proposed initial public offering (Offer). A Prospectus for the Offer was lodged with the Australian Securities and Investments Commission today.

Justin Milne, a former Group Managing Director of Telstra and current non-executive Director of a number ASX listed companies, has been appointed as Chairman (independent, non-executive). He will be joined by highly experienced directors Anne Ward and Andrew Stevens who will assume Board roles as independent non-executive directors. Biographies are attached to this release.

"It is extremely exciting to welcome Justin, Anne and Andrew to the MYOB Board. They have remarkable combined experience spanning the information technology, telecommunications, financial services, risk management and legal sectors," said MYOB chief executive officer Tim Reed.

"In addition to the experience they bring, the appointments enhance the strong entrepreneurial culture of the MYOB. All three of these directors have proven their commitment to championing innovation and I look forward to them supporting the management team as MYOB moves into an exciting new phase," MYOB Director Craig Boyce said. Messrs Reed, Boyce and Bain Capital managing director Paul Edgerley will also sit on the Board.

Mr Milne said that he was honoured by the appointment and looked forward to working with management to guide the organisation through its next stage of innovation and growth. "Small business is the core of the Australian and New Zealand economies and MYOB has been servicing that core for over 24 years. Small business is an extremely interesting and exciting sector to be operating in, as innovation and technology will play a key part in the future of the business economy," Mr Milne said.

On the appointment, Director Anne Ward said, "I am pleased to be joining the board of MYOB, a business that has strong credentials in innovation and now supports businesses from micro right through to growing enterprises. It has been exciting to see the transition from desktop to cloud, and I look forward to being part of steering the business through the next phase of its innovation and growth journey."

Andrew Stevens, Director, said, "I'm really delighted to be joining the MYOB Board. MYOB is a market leader which has successfully transformed itself into a Cloud-based business and, in doing so, has built a strong platform for helping over a million Australian and New Zealand businesses prosper in a competitive world."

Biographical details of new appointments

Chairman - Justin Milne

Justin is a Non-Executive Director of NBN Co, the Chairman of NetComm Wireless Ltd, Non-Executive Director of Tabcorp Holdings Ltd, Non-Executive Director of SMS Management and

For personal use only

Technology Ltd and Non-Executive Director of Members Equity Bank Ltd. He was a Group Managing Director at Telstra, responsible for BigPond Broadband and Telstra's Media businesses. Prior to working at Telstra he was CEO of OzEmail and the Microsoft Network.

Director - Anne Ward

Anne is a professional company director with extensive experience in business management, strategy, finance, risk and governance across a range of industries including banking, insurance, wealth management and investments, transport and logistics, health, property and tourism. She is presently Chairman of Colonial First State Investments Ltd, Avanteos Investments Ltd, Zoos Victoria and Qantas Superannuation Ltd and is a director of FlexiGroup Ltd. Prior to becoming a professional director, Anne had a successful career as a commercial lawyer for 28 years. She was a partner at Minter Ellison and Herbert Geer and was General Counsel (Australia and Asia) of National Australia Bank.

Director - Andrew Stevens

Andrew is the Chair of the Australian Federal Government's Advanced Manufacturing Growth Centre and is a member of the Growth Centres Advisory Committee. A member of several organisations, boards and committees, including the Business Council of Australia, the Male Champions of Change Committee, the Australian Institute of Company Directors and the Board of CEDA, Andrew has extensive experience with technology, innovation and emerging markets. Andrew's executive career at Price Waterhouse, PricewaterhouseCoopers and IBM has provided him with years of experience in Business and ICT programme design and risk evaluation, governance and delivery, and in business transformation and regional/global expansion.

The Offer will be made pursuant to the Prospectus. Anyone considering investing in the Offer should read the Prospectus carefully and in its entirety before deciding whether to apply for Shares. Anyone who wants to acquire Shares will need to complete the application form that will be in or accompany the Prospectus.

The Prospectus is available in electronic form at www.myobshareoffer.com.au. Persons having received a copy of the Prospectus in its electronic form may, before the closing date for the Offer, obtain a paper copy of the Prospectus (free of charge) by calling the MYOB Offer Information Line on 1800 992 613 (within Australia) or +61 1800 992 613 (outside Australia) from 8.30am to 5.30pm Sydney time, Monday to Friday (business days only). Any individual with questions in relation to the Offer should call the same helpline numbers as above.

Capitalised words used in this media release have the meanings given to them in the Prospectus unless otherwise provided.

-ends-

For further comment or other information please contact:

Australia

Sarah Beyrath, MYOB PR and Corporate Affairs Manager

P: 02 9089 90439 M: 0427 223 841 E: sarah.beyrath@myob.com

Dan Billings, FTI Consulting

P: 02 8298 6100M: 0447 010 499 E: daniel.billings@fticonsulting.com

Andrew Stokes, FTI Consulting

P: 02 8298 6100M: 0416 967 038 E: andrew.stokes@fticonsulting.com

New Zealand

Sarah Putt, MYOB NZ Public Affairs Manager

For personal use only

P: 09 925 3515 / M: 029 777 0256/ E: sarah.putt@myob.com

About MYOB

Established in 1991, MYOB is a market leading provider of business management software solutions in Australia and New Zealand. It makes business life easier for approx. 1.2 million businesses across Australia and New Zealand by simplifying accounting, payroll, tax, CRM, websites, job costing, practice management, inventory, mobile payments and more. MYOB also provides ongoing client support via many channels including a network of over 40,000 accountants, bookkeepers and other consultants. It is committed to ongoing innovation, particularly in cloud computing solutions, and spent more than AU\$100 million on research and development in the last three years.

IMPORTANT NOTICES

This announcement is only being distributed outside of the United States and may not be distributed, forwarded or otherwise used in the United States.

This announcement is not, and does not constitute, an offer to sell or the solicitation, invitation or recommendation to purchase any securities and neither this announcement nor anything contained herein shall form the basis of any contract or commitment. In particular, this announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Additionally, any securities to be offered and sold in the Offer have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the law of any state of the United States, and may not be offered, sold or resold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws.

For personal use only