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ASX / Media Release

MainstreamBPO Limited releases results for the half year ended 31 December 2016

- Revenue up 49% to \$13.1 million
- NPAT up 106% to \$0.7 million
- Underlying EBITDA up 58% to \$1.8 million
- Increased global footprint via three acquisitions
- Fully franked interim dividend of 0.5 cents per issued share

MainstreamBPO Limited group (ASX: MAI) today announced its results for the half year ended 31 December 2016.

For the six months to 31 December 2016, the Group announced an after-tax profit of \$0.7 million, an increase of 106% over the prior corresponding period. Revenue was up 49% to \$13.1 million.

The below table reconciles MainstreamBPO's net profit after income tax of \$0.7 million to its underlying EBITDA of \$1.8 million for the six months ended 31 December 2016 as compared to the prior corresponding period.

	Six months to 31 December 2016 \$	Six months to 31 December 2015 \$
Profit after income tax expense	665,345	322,650
Add:		
Income tax expense	211,040	192,028
Amortisation and depreciation expense	378,559	183,225
Interest expense	223,267	89,150
EBITDA	1,478,211	787,053
Share-based payments expense	290,974	333,061
Underlying EBITDA	1,769,185	1,120,114

The Group's Funds under Administration rose 20% during the half year to a record \$106 billion (from \$88 billion as at 30 June 2016). This was due to a combination of organic growth of existing clients and the addition of acquired clients. The number of funds administered by the Group grew by 38% during the same period, from 435 to 602 funds.

Commenting on the result Byram Johnston, MainstreamBPO's Chairman said "We are pleased with this result which demonstrates a strong, profitable and scalable business. Our performance and growth is powered by our clients and their continuing fund flows."

During the half year the Group completed the acquisition of Fundadministration, Inc in New York and Galileo Fund Services Limited in the Isle of Man and announced the purchase of Alter Domus' hedge fund business in Europe.

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Mr Johnston continued “The addition of established operations in New York and the Isle of Man over the last six months has added scale and higher operating margins to our business. We now have global operations with a third of our revenue generated outside of Australia. Continued growth in our clients’ funds will provide the base for increased profitability in future years.”

Commenting on the Group’s outlook, Mr Johnston said “The Board is encouraged by the opportunities that lie ahead for our business and we are particularly encouraged by our strong half year results which confirm the execution of our strategy will result in significant growth and continued financial performance.”

MainstreamBPO today declared a fully franked interim dividend for the half year ended 31 December 2016 of 0.5 cents per issued share, payable on 3 April 2017.

For more information

More detailed information is available in the Appendix 4D, Interim Report to 31 December 2016 and Investor Presentation lodged with the ASX today.

For further information, please contact:

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About MainstreamBPO

MainstreamBPO Limited is one of Australia’s largest independent fund administrators. The Group provides fund administration, superannuation administration and share registry services for a diversified client base of fund managers and superannuation trustees.

The Group operates five businesses:

- > FundBPO (Australia, Hong Kong, Singapore, Malta and Cayman Islands), *Fundadministration, Inc* (United States) and Galileo Fund Services Limited (Isle of Man): 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. As at December 2016 the Group provides administration services to 602 funds with assets in excess of \$106 billion, employing 160 people.

MainstreamBPO has operations in Australia, Singapore, Hong Kong, United States, Cayman Islands, Isle of Man and Malta.

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