

ASX Company Announcement
Date of Release: 29th January 2015

December 2014 Quarter Update and Revised FY15 Earnings Guidance

December Quarter Highlights

- ✚ Revised FY15 earnings guidance
- ✚ Funds Under Administration (“FUA”) increase from \$1.168 billion to \$1.310 billion for the December quarter
- ✚ Another quarter of record strong quarterly flows with net inflows of \$107 million for quarter ended 31 December 2014
- ✚ MGP Board declares December quarterly dividend payment of \$0.002 per share payable in February 2015
- ✚ Further depth added to the management team with recruitment of Head of Product
- ✚ Continued growth in new Services and new business pipeline

Revised FY15 Earnings Guidance

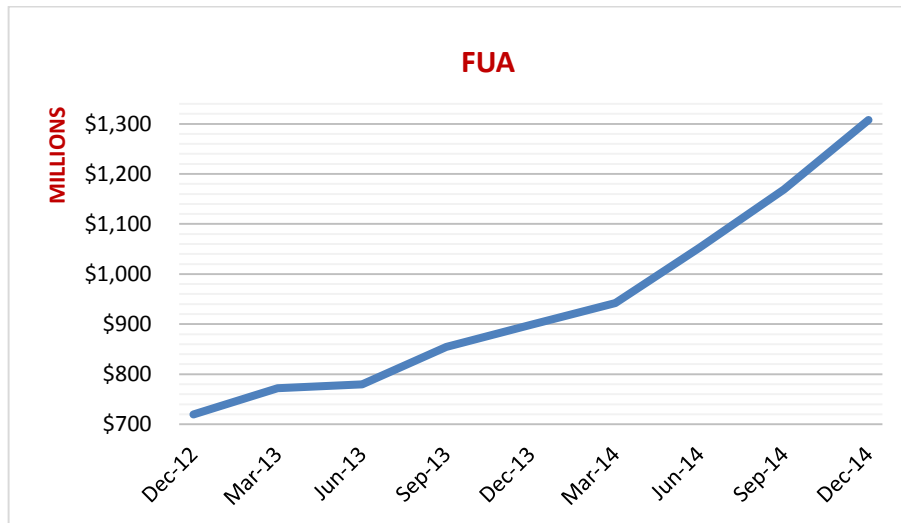
The Board has reviewed its full year earnings forecasts. With MGP’s transactional revenue streams largely correlated to the equities market and equities markets likely to remain volatile in the second half, the Board anticipates that transactional revenues will be lower than prospectus forecasts. A continuance of current market conditions will likely result in Net Profit Before Tax (NPBT) being approximately \$200,000 below prospectus forecast NPBT for the 2015 financial year. 2015 NPBT is now expected to be \$800,000 - 900,000, assuming that implementation fees from the eleven potential new Services are earned for the year. Implementation fees are covered in further detail below.

Continued strong FUA growth with record net inflows

MGP is pleased to announce another quarter of record net inflows of \$107 million for the quarter ended 31 December 2014. These net inflows have largely contributed to an increase in FUA to \$1.310 billion as at 31 December 2014, up from \$1.168 billion as at 30 September 2014.

Strong inflows are expected to continue over the remainder of FY15 as a result of:

- ✚ Organic growth of MGP’s existing Licensee client base
- ✚ Acquisitions of other advisory firms by MGP’s existing Licensee client base
- ✚ Launch of new Services for new Licensees



FUA at the end of December 2014 is in line with prospectus targets despite a volatile equities market.

Quarterly Dividend Declared

Following on from MGP's initial September quarterly dividend, the Board is pleased to declare a December quarterly dividend of \$0.002 per share. It is the Board's intention to pay this dividend on 27th February 2015.

Management Team

In October 2014, the former Head of Macquarie Private Portfolio Management Trevor Fisher joined MGP to the newly created position of Head of Product. Trevor has significant experience and knowledge of the managed accounts market, having lead Macquarie's Managed Accounts Product for 13 years. In his role, Trevor will be responsible for delivering product enhancements earmarked in the business plan. Trevor's recruitment is a strong endorsement of MGP's business strategy.

New Services and Pipeline

The business model of MGP takes on an approach of building and implementing customised Managed Account Services for each new Licensee. Prior to the build of a new Service commencing and MGP earning implementation fees, a Memorandum of Understanding is executed with the Licensee. Once implemented, MGP earns administration fees on Funds Under Administration and transaction fees.

Over the quarter, two new Licensees executed a Memorandum of Understanding with MGP, with eleven additional Licensees considering a Memorandum of Understanding as at the end of December 2014. If all Memorandums of Understanding are executed, this would take the total number of Managed Account Services administered by MGP to thirty eight.

With increased interest in managed accounts being driven by Future of Financial Advice (FOFA) reform clarification and Licensees seeking administration solutions that match their long term business model, increased interest in MGP's solution is expected to continue.



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About Managed Accounts Holdings Limited

Managed Accounts Holdings Limited is listed on the Australian Securities Exchange (ASX: MGP) and is a financial services company established in 2004. Its focus as a specialist managed account provider allows it to create, operate and administer customised managed discretionary account solutions for a growing number of Australia's leading financial advisers, Australian Financial Services Licensees and fund managers using best-of-breed globally sourced technology and custodian. The Company was previously known as Investment Administration Services. For further information, please visit: www.managedaccounts.com.au