



24 February 2011


Presentation

Please find attached a copy of the presentation that the Præmium CEO, Arthur Naoumidis, will be giving to an insitutional investor presentation at the Yale Club, New York this evening AEST.

About Præmium: Præmium Ltd (ASX:PPS) is one of Australia's leading suppliers of online financial portfolio administration and Separately Managed Account (SMA) technology, administering AUD 44.4billion* of assets in Australia and with more than £207million in funds on the platforms it operates in the UK . Præmium currently provides services to more than 500* financial institutions and intermediaries, including some of the world's largest financial institutions.

*As at 31 December 2010



 **præmium**
Præmium pro factis

Arthur Naoumidis
Group Chief Executive Officer

 **præmium**
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Praemium – Our Role and Strategy

We provide market-leading online investment portfolio administration services to:

- Accountants
- Financial advisers
- Stockbrokers
- Pension administrators (aka Self Managed Superannuation Fund (SMSF) which are like US 401K)
- Fund managers and other large financial institutions

With key focus on SMA and Wrap



Praemium - Background

- Founded in 2001 by Arthur Naoumidis
- Listed on Australian Stock Exchange (ASX) since May 2006 with a market cap of AUD\$64 Million as at 2/22/2011
- Currently administers AUD\$44.4* billion:
 - With several hundred thousand Australian investors receiving annual tax reports
 - On behalf of over 500* clients
- One of Australia's largest administrators of Self Managed Pension Funds which is the 4th largest pension fund industry in the world

* As at 31 December 2010

Key Statistics

	As at 12/31/10	As at 12/31/09	% change	Revenue Model
Australia				
V-Wrap - Funds under Administration (FUA)	AUD\$44.4 b	AUD\$38.9 b	+ 14%	Generally Flat \$ Average \$226 per portfolio
Committed Portfolios	43,969	42,596	+ 3%	
SMA - Funds under Management (FUM)	AUD\$558 m	AUD\$460 m	+ 21%	Approx. 8 bps on FUM
United Kingdom				
Funds on Platform (FOP)	UK£207.4 m	UK£39 m	+ 431%	17.5bps- 35bps on FOP



Outlook – Australia

- Targeting 2% of Australian Wrap market in 2-3 years
 - ➔ Targeting AUD\$8+ billion in FUM in 2-3 years
- Proposed banning of commissions in 2012 stands to accelerate growth for:
 - V-Wrap
 - Praemium SMARTwrap
- Praemium SMARTwrap
 - Only independent Wrap platform in Australia
 - Cheaper than legacy wrap platforms
 - 30+ firms already signed plus long sales pipeline





Background – Praemium UK

- Projected UK addressable market size is £500 billion by 2015
- Established London office in June 2006
- Praemium UK is operational and receiving funds and is regulated by the UK Financial Services Authority
- Key products are 2 SMA variants:
 - SMARTfunds – unitized SMA's authorized as Collective Investment Schemes (i.e. Mutual Fund)
 - Discretionary Platform Service (*dps*)– like a US style SMA



Outlook – UK

- Strong growth in the UK platform market:
 - Current size is approximately £134 billion*
 - Forecast to grow to £500 billion by 2015
- Offshore SMA Platform being launched in Channel Islands
- Onshore/Offshore US Investor SMA Platform being launched
- Shariah SMA just launched – worlds first Islamic SMA?
- Compelling competitive advantages: product, technology and regulatory

* As at Q2 2010

Group Financial Summary

	Revenue \$AUD ('000)		Costs including R&D expense \$AUD ('000)		EBITDA \$AUD ('000)	
	1HFY10	1HFY11	1HFY10	1HFY11	1HFY10	1HFY11
Praemium Australia						
V-Wrap	4,909	4,921	2,691	2,685	2,218	2,236
SMA	190	266	657	534	(467)	(268)
SMARTwrap	-	1,167	-	131	-	1,036
Total Praemium Australia	5,099	6,354	3,348	3,350	1,751	3,004
UK	144	575	2,159	2,068	(2,015)	(1,493)
Corporate	45	32	3,515	3,484	(3,470)	(3,452)
Total(Group)	5,288	6,961	9,022	8,902	(3,734)	(1,941)

Key Financial Achievements

	EBITDA 1HFY10 \$AUD ('000)	EBITDA 1HFY11 \$AUD ('000)	Variance & Commentary
SMA	(467)	(268)	43% improvement
SMARTwrap	-	1,036	New Contracted fee
Total Praemium Australia	1,751	3,004	72% improvement
UK	(2,015)	(1,493)	26% improvement Take-up from UK clients is accelerating
Total (Group)	(3,734)	(1,941)	48% improvement Strategies beginning to pay off



Summary Outlook - Australia & United Kingdom

- Continue with achieving strong growth in revenues from:
 - Further enhancing our service offerings in Australia and the United Kingdom
 - Penetrating the wider financial planning community using our SMARTwrap offering
 - Increasing distribution and building FOP
- Maintain tight control on costs
- Realise substantial revenue leverage from the scalability of our services and from enhanced productivity in general
- Aim to become operating cash flow positive during 1HFY12



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