



18 April 2016

Attention: Company Announcements
ASX Limited

By E-Lodgment

AWI BUSINESS UPDATE – QUARTER ENDING 31 March 2016

This is a summary of the financial performance, and performance against key metrics, of the group for the quarter to 31 March 2016.

Unaudited Management Accounts for Q3 FY2016

We present below our quarterly management accounts with prior period comparisons shown on a consolidated basis to assist in understanding our underlying performance:

FY2016 FINANCIAL PERFORMANCE*	FY15 Second Quarter	FY15 Third Quarter	FY16 Second Quarter	FY16 Third Quarter
	(to 31 Dec 2014)	(to 31 Mar 2015)	(to 31 Dec 2015)	(to 31 Mar 2016)
Commissions & Subscriptions	2,804,909	3,030,145	2,819,013	2,689,227
Consulting Fees Δ	153,750	190,889	-	-
Other Income $\text{\textcircled{O}}$	129,725	155,745	76,984	59,769
Total Income	3,088,384	3,376,780	2,895,997	2,748,996
Rebates Paid	-648,074	-557,228	-506,145	-446,334
Employee Costs	-1,427,370	-1,567,031	-1,115,479	-1,041,969
Other Expenses $\text{\textcircled{S}}$	-916,882	-820,910	-768,925	-656,856
Total Operating Expenses	-2,992,326	-2,945,170	-2,390,549	-2,145,159
Operating PBTA	96,058	431,610	505,448	603,837
Cash at Bank (end of period)	5,736,919	3,788,027	3,530,848	4,111,968

*This table has been prepared by management and is unaudited. 2015 results are based on reviewed consolidated accounts and exclude losses made on investments.

Δ Consulting fees in 2015 include fees from AWI Funds and Forager contracts that have now been cancelled.

$\text{\textcircled{O}}$ Other Income includes revenue from AWI Ventures (now sidelined) and from interest earned on cash-at-bank.

$\text{\textcircled{S}}$ Other Expenses excludes tax and amortisation of intangibles in YTD FY16.

Commentary on financial performance

Management is pleased to release their quarterly results showing an increase in operating profits from \$505,448 in Q2 FY16 to \$603,837 in Q3 FY16. Our latest result shows a significantly reduced cost base with a 5% fall in revenue in a period of deteriorating market conditions

Core product performance metrics and commentary

Performance in our key metrics for the March 2016 quarter was as follows:

	Q3 FY15	Q1 FY16	Q2 FY16	Q3 FY16
	(to 31 Mar 2015)	(to 30 Sept 2015)	(to 31 Dec 2015)	(to 31 March 2016)
Unique visitors	553,441	488,210	446,271	567,926
Customers*	27,382	27,067	27,595	27,896
ARPC (\$)***	\$ 445	\$ 449	\$409	\$386

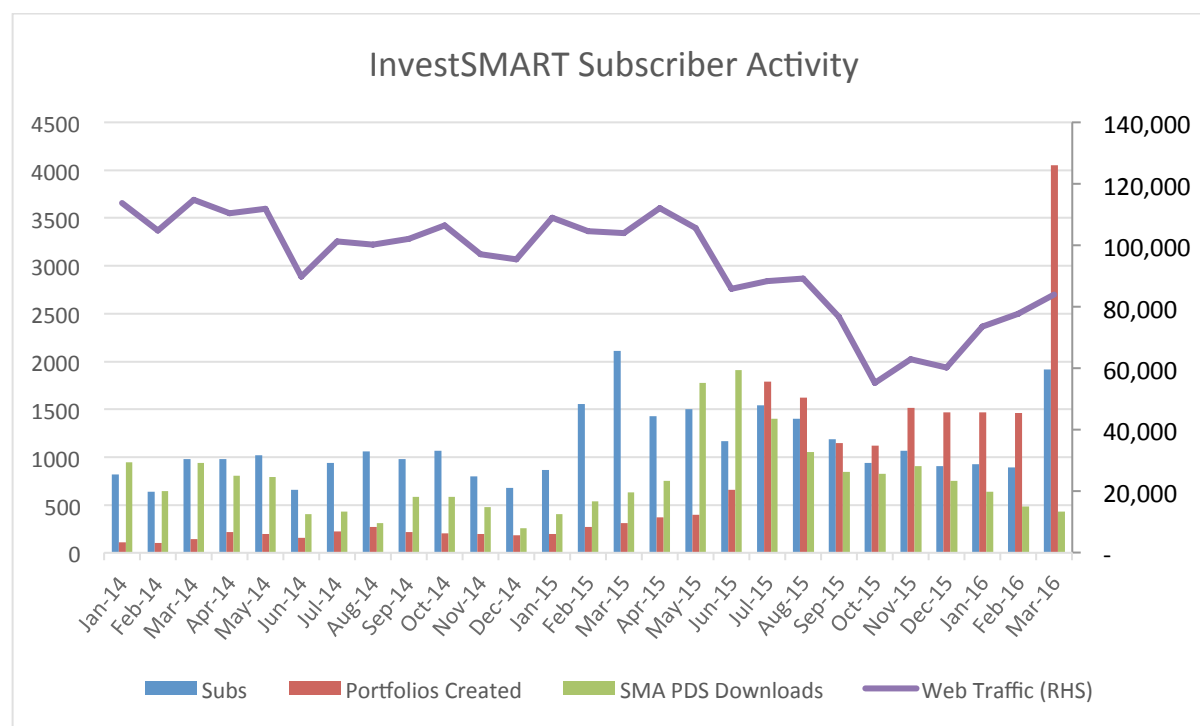
*Commission generating customers are an estimate due to fund managers reporting clients and/or reporting accounts

**Average annualised gross revenue per customer per annum (ARPC)

Average revenue per customer (ARPC) has fallen in line with MTM valuations of members FUA and our new clients having lower values of FUA with us as they build up trust with our brand and services. As discussed in previous updates, we remained focused on converting existing non-paying members to paying members and more targeted marketing to our 300,000 registered members have started yielding promising results.

Our initiatives to date are delivering tangible results

Engagement activity across our major metrics including free registered members and members tracking their investment portfolios through our proprietary software, have both dramatically increased over the past few months. These leads will convert overtime as investor sentiment picks up and as our members build up trust in our products and services.



Eureka Report acquisition

On 4 April 2016, the Group completed its acquisition of Eureka Report Pty Ltd using existing cash reserves. We expect this acquisition to increase Group earnings in FY 2017. Eureka Report is a very important strategic acquisition which enables us to scale up both website content and distribution. The addition of Eureka into our business will double our registered members to over 700,000, increase paying members by nearly 30% and increase total revenue by circa 28%.

For further information or comment, please contact myself or Ron Hodge, Managing Director and CEO, on 02 8305 6000

Paul Clitheroe
Chairman