

RECORD FINANCIAL RESULT

UNDERLYING EBITDA \$41.6M UP 111% ON FY16

Sydney, 20 February 2018 – Moelis Australia Limited (“Moelis Australia”) (ASX:MOE) announces its full year financial result for the year ended 31 December 2017. Key metrics include:

- Underlying EBITDA of \$41.6 million – 77% higher than IPO forecast (up 111% on FY16)
- Underlying revenue of \$107.2 million – 46% higher than IPO forecast
- Underlying NPAT of \$29.1 million – 111% higher than FY16
- Underlying Earnings per share of \$0.23 – 70% higher than IPO forecast
- Declares fully franked dividend of 7.0 cents per share
- Underlying EBIT margin grows to 39% compared with 32% in FY16
- Assets Under Management of \$2.9 billion – Up \$1.8 billion in 2017
- Net Assets of \$215.6 million, including \$118.2 million in cash and liquid investments

Since listing on the ASX on 10 April 2017, Moelis Australia has experienced a high level of activity across all areas of its business. Financial and operating highlights for the 2017 financial year include:

- Record Corporate Advisory & Equities revenue of \$63.8 million, an increase of 38% on FY16 (up from \$46.2 million);
- Completion of advisory and equity capital market transactions for clients totalling approximately \$7.7 billion in value;
- Record Asset Management revenue of \$43.4 million, an increase of 178% on FY16 (up from \$15.6 million) with revenue accelerating significantly in the second half of 2017;
- The acquisition of Armada Funds Management, the Redcape Hotel Group and Infinite Care (the combined AUM of these assets represent over \$1.7 billion to Moelis Australia and are scalable platforms);
- Reaching \$2.9 billion in Assets Under Management (AUM) at 31 December 2017, almost double the Prospectus forecast of \$1.5 billion; and
- EBITDA margins increasing to 39% from 32% in FY16 reflecting the benefits of greater scale and increase in contribution from the Asset Management business.

Moelis Australia CEO Andrew Pridham said “We are pleased with our maiden full-year result as an ASX listed company. All areas of the business performed significantly above our IPO prospectus forecast. We attribute this exceptional result to the hard work of our outstanding and dedicated staff, unique business model and the benefits of greater availability of capital to augment the services we provide to our clients.

Our Corporate Advisory business had an extremely strong year advising on approximately \$7.7 billion in transaction value across a diverse range of industries. Equally pleasingly, our advisory pipeline for 2018, although very early in the year, is solid.”

Moelis Australia’s Asset Management business grew solidly in 2017 resulting in significantly higher revenue and AUM growth than IPO forecast. The underlying EBITDA contribution from Asset Management to the total Group was 51%, up from 36% in 2016. Approximately 80% of Asset Management revenue is recurring. Growth in Asset Management revenue accelerated in the second half of 2017, reflecting the acquisition of Armada Funds Management, Redcape Hotel Group and strong client inflows.

Brand recognition and Asset Management distribution channels continue to grow and the Group continues to invest significantly in expanding its capabilities in these areas.

Moelis Australia’s strong balance sheet is delivering many benefits. In particular it has assisted in providing a wider range of services and products to corporate clients and allowed Moelis Australia to underwrite a number of attractive asset acquisitions prior to offering new investment funds to clients of the Asset Management business.

Mr. Pridham added, “The strength of our balance sheet places us in a strong position in 2018 and we remain focused on utilising capital to facilitate attractive returns across the Group notwithstanding market volatility. We believe we can invest our capital to deliver shareholders attractive returns and, where appropriate, use capital to facilitate transactions for our corporate clients and creation of new funds for distribution by our Asset Management business.

Our core philosophy is one of long term value creation and alignment of interest with our clients and shareholders. We demonstrate this in many ways including the fact that our executives have in excess of \$350 million invested in the company with long-term vesting conditions, and that Moelis Australia and its executives make significant co-investments in many of our managed funds.

The Moelis Australia business is based on trust and I would like to thank our shareholders, corporate clients and investors for the confidence they continue to place in us. We value the relationships we share and look forward to a fruitful 2018.”

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