



6 May 2016

Market Announcements Office
ASX Limited

MYOB Presentation and Video at Macquarie Australia Conference

MYOB Group Ltd (ASX: MYO) presented at the Macquarie Australia Conference, held on 4 May at the Sheraton on the Park, Sydney.

Please find attached a copy of the presentation.

The presentation and a video of CEO Tim Reed speaking at the conference can also be viewed on the MYOB investor relations website [here](#).

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Supporting Resources

For more information on MYOB, please visit:

Investor Centre: <http://investors.myob.com.au>

Website: <http://myob.com.au>

About MYOB

MYOB Group Limited (ASX: MYO) is a leading provider of online business management solutions. It makes business life easier for approximately 1.2 million businesses across Australia and New Zealand by simplifying accounting, payroll, tax, practice management, CRM, job costing, inventory and more. MYOB provides ongoing support via many client service channels including a network of over 40,000 accountants, bookkeepers and other consultants. It is committed to ongoing innovation, particularly in cloud computing solutions, and in 2015 was awarded the BRW award for the most innovative large company for 500+ employees and placed 2nd in BRW's Most Innovative Companies Award list across all categories nationally. For more information, visit <http://investors.myob.com.au> or follow @MYOB on Twitter.

MYOB

INVESTOR
PRESENTATION
MACQUARIE
BANK
CONFERENCE
04.05.16

PRESENTERS

TIM REED
CHIEF EXECUTIVE OFFICER

RICHARD MOORE
CHIEF FINANCIAL OFFICER

04 MAY 2016



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Presented by:



Tim Reed

CHIEF EXECUTIVE OFFICER

Appointed Chief Executive Officer in 2008

Joined MYOB in 2004

Prior to 2004, worked in Silicon Valley within a number of companies in global technology and internet markets



Richard Moore

CHIEF FINANCIAL OFFICER

Appointed Chief Financial Officer in 2012

Prior to MYOB, was the CFO of Jetstar Airways

Previously held senior finance roles with Bankwest Business and GE Capital

About MYOB – a leading ANZ cloud accounting solutions provider

- Over 1.2m SME's, c40,000 accountants and c7,000 larger businesses in ANZ
- >1,200 team members across Australia and New Zealand
- Over \$125m R&D spend over last 3 years

SME SOLUTIONS

Provides accounting software to 1.2 million SMEs, including accounting, payroll, tax and other business management software, with secure bank transaction data from banks or other financial institutions to assist in the preparation of the SME's accounts.

PRO FORMA REVENUE

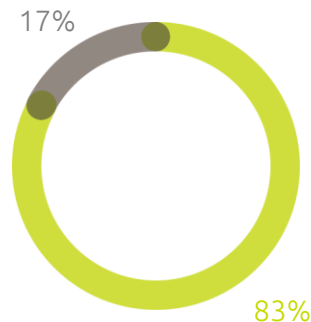
\$328m

PRACTICE SOLUTIONS

Provides practice software to more than 40,000 accountants, including client accounting, practice management, tax, document management, company secretarial and insolvency solutions.

PRO FORMA REVENUE

AUSTRALIA – 83%
NEW ZEALAND – 17%

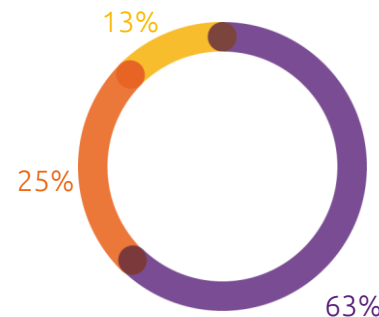


ENTERPRISE SOLUTIONS

Provides enterprise software, including ERP and HRM software, to more than 7,000 medium and large businesses (generally 20 - 999 FTEs, with some 1,000+).

PRO FORMA REVENUE

SME SOLUTIONS – 63%
PRACTICE SOLUTIONS – 25%
ENTERPRISE SOLUTIONS – 13%



Pro Forma FY15 Results for Dec (Released 25th February)

31st December year end
KEY METRICS

PRO FORMA REVENUE OF

\$328 MILLION

UP 10% YOY¹



PRO FORMA EBITDA OF

\$153 MILLION

UP 19% YOY¹



PRO FORMA NPATA OF

\$86 MILLION

UP 22% YOY¹



PRO FORMA CASHFLOW
CONVERSION OF

87% MILLION

UP 1% YOY¹



DIVIDEND DECLARED OF
5.0C PER SHARE

PRO FORMA NPATA EPS
OF 14.7C

RECURRING REVENUE UP 11%
TO \$312 MILLION, OR 95.1%
OF TOTAL REVENUE

STATUTORY EBITDA OF \$124
MILLION AND NPAT OF
(\$42 MILLION)

On or ahead of
prospectus forecast



Note: 1. vs pro forma FY14 per IPO prospectus on a like-for-like basis.

Operational Highlights: 2015 – a year of transformation

“

DURING OUR FIRST YEAR AS A PUBLICLY TRADED COMPANY WE ARE ESPECIALLY PLEASED TO MEET OR EXCEED ALL OF THE FORECASTS WE PUBLISHED DURING OUR IPO PROCESS.

JUSTIN MILNE CHAIRMAN



COMPELLING FINANCIAL PERFORMANCE

Returned to the public market in May 2015

Grew revenues 10% and comfortably achieved prospectus forecasts



SME GROWTH

8% paying user growth, 5% ARPU growth

Accelerating online adoption, with 170,000 online users; up 46% on 2014

Significant opportunity for ongoing growth in category penetration and lifetime value per client



ACCOUNTING PRACTICES BEGINNING TO MOVE ONLINE

Over 1,000 practices using MYOB Portal

Online versions of BankLink & Practice Ledger on track to be released in 2016



TARGETED INVESTMENT IN FUTURE GROWTH

15% of revenue invested in technology in 2H15

Investment in digital sales and marketing resources increased >30%

Leadership in New Zealand payroll



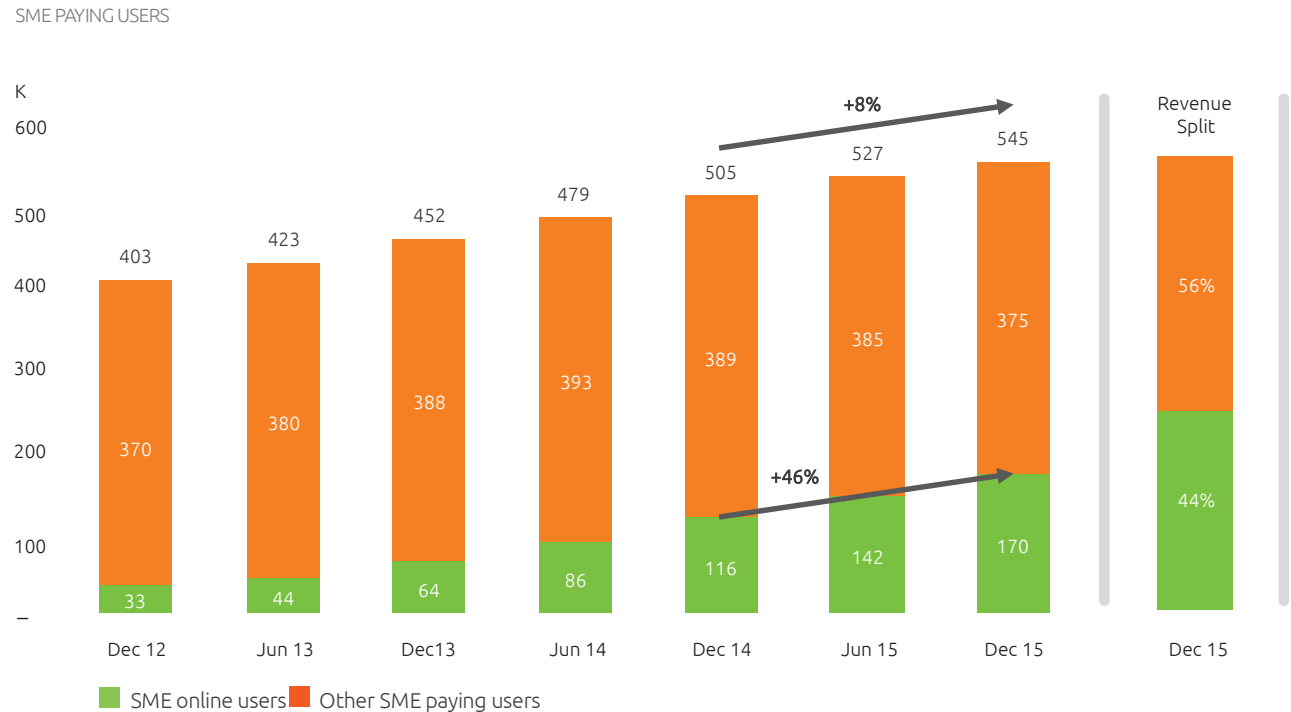
DIFFERENTIATED VISION

Vision: bold strategy of connected practice underpinning investment in the MYOB online platform

Continued strong growth in paying users...

SME online user base growing strongly

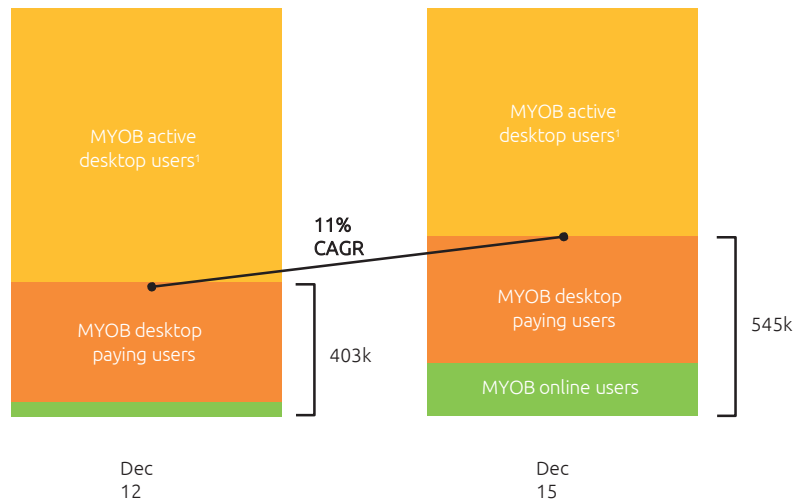
Management expect increase in “SME online as % of paying” to accelerate in 2H16 and 2017 once online version of BankLink is available



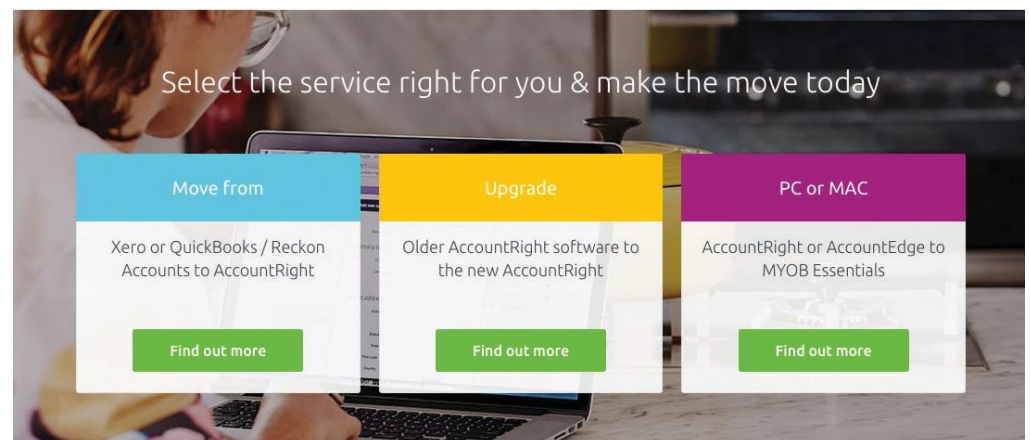
78% of new MYOB SME clients in Q4'15 took out online subscriptions

Note: Number of users in December 2012 has been amended to include BankLink, which was acquired by MYOB in May 2013, in order to allow for a like for like comparison.

...driven by online registrations, coming from new to MYOB and existing clients



Tools in place to assist migration from MYOB desktop products and competitors



...with plenty of opportunity to grow

SME ACCOUNTING

Online adoption is <20% after 5 years

Desktop ~70% penetration after 25 years



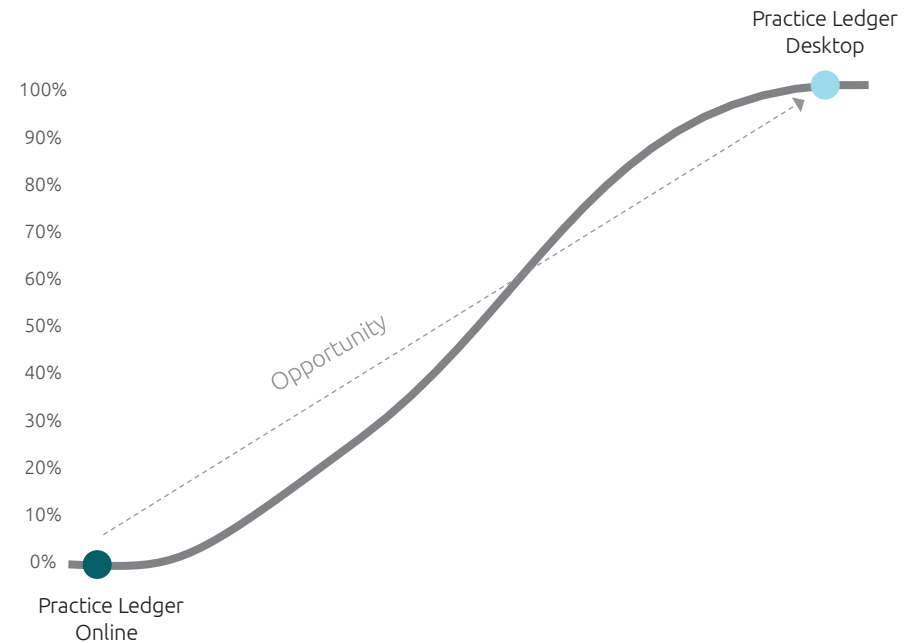
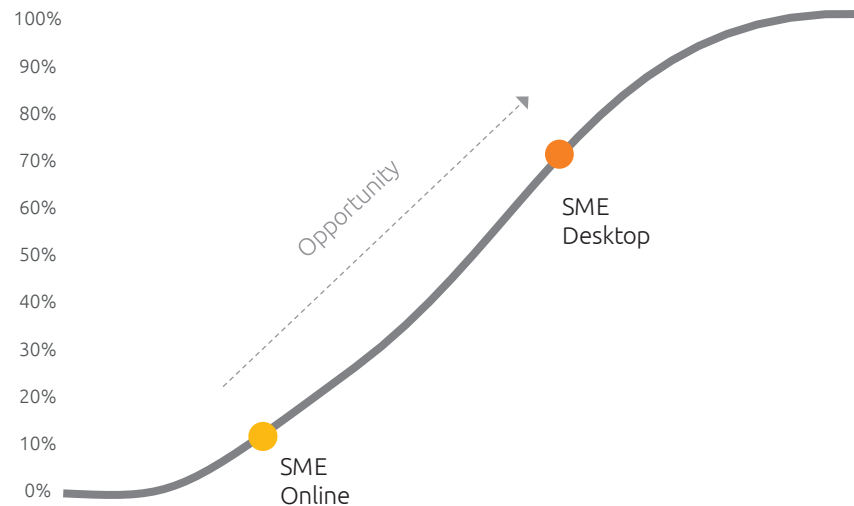
PRACTICE LEDGER

Online adoption in its infancy; MYOB to release product in 2016

Desktop penetration complete



ACCOUNTING SOFTWARE PENETRATION



Cloud penetration supports significant enhancement of lifetime SME economics

Lifetime value of cloud subscriber revenue model superior to selling perpetual licenses.

Paying users

100% cloud vs. 30% desktop

Active annual retention

83% cloud vs. 74% desktop³

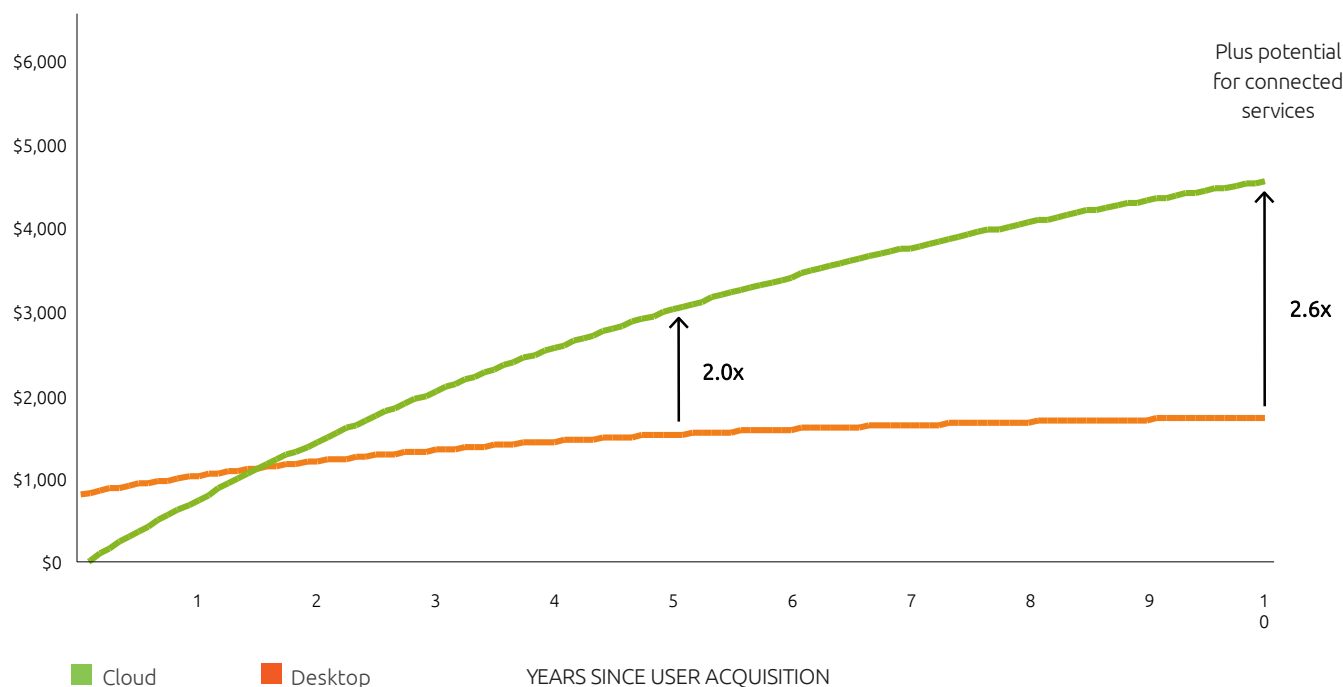
ARPU benefits

Higher attach rates

Price increases

Cross-sell connected services

ILLUSTRATION OF ESTIMATED CUMULATIVE LIFETIME VALUE PER CUSTOMER ^{1,2}

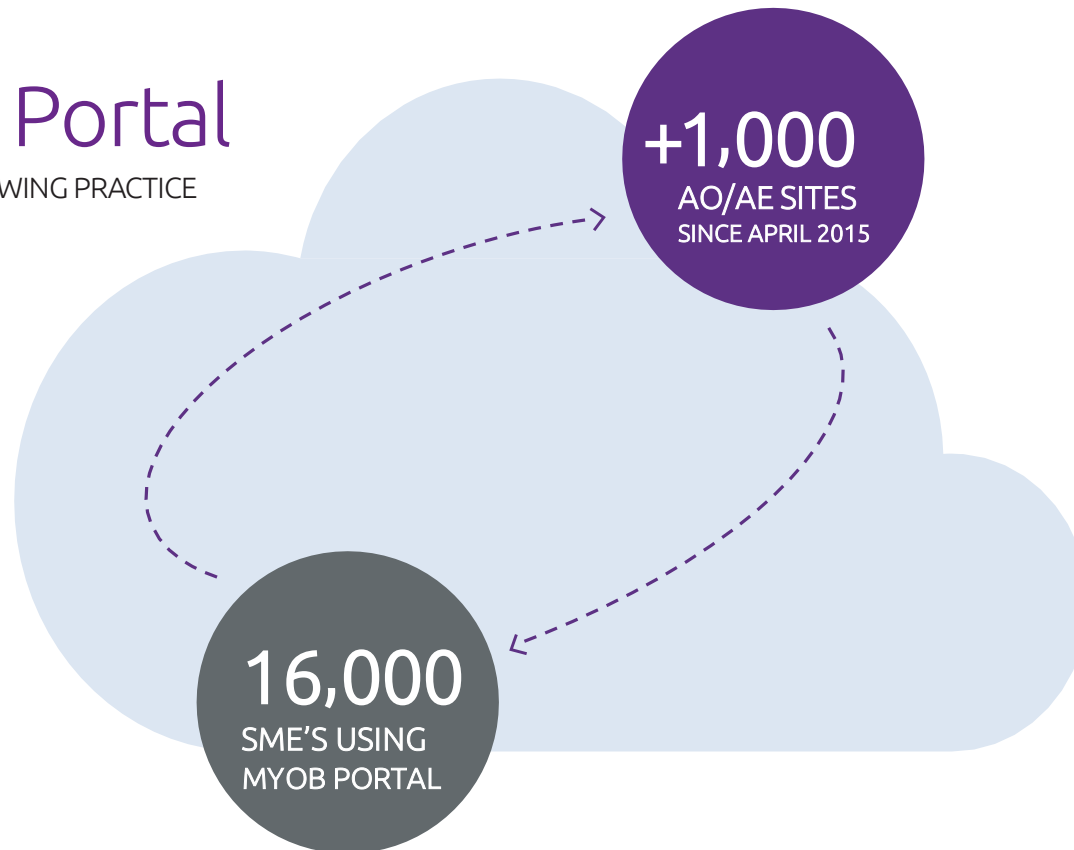


Source: internal management data. 1. Key assumptions used in this example: For the desktop product, desktop users make upfront payments of \$840 for their perpetual licences, 30% of them are paying users and those paying users have an annual user retention rate of 74%. For the cloud product, cloud users make no upfront payment, 100% of them are paying users and their annual user retention rate is 83%. Both desktop and cloud products assume a 5% price escalation per annum, and a paying user monthly payment of \$70 for both cloud products and desktop products. 2. Interpretation of this Figure: This Figure is an illustration of how an Accounting Software provider like MYOB may consider the customer lifetime value of cloud users versus desktop users on the assumptions above, which MYOB believe are reasonable and consistent with relevant experience. It is not a representation or forecast of future revenue of particular customers or growth of MYOB and does not take into account other factors, which may cause actual outcomes to differ materially. 3. Retention for paying desktop users.

Accounting practices beginning to move online

MYOB Portal

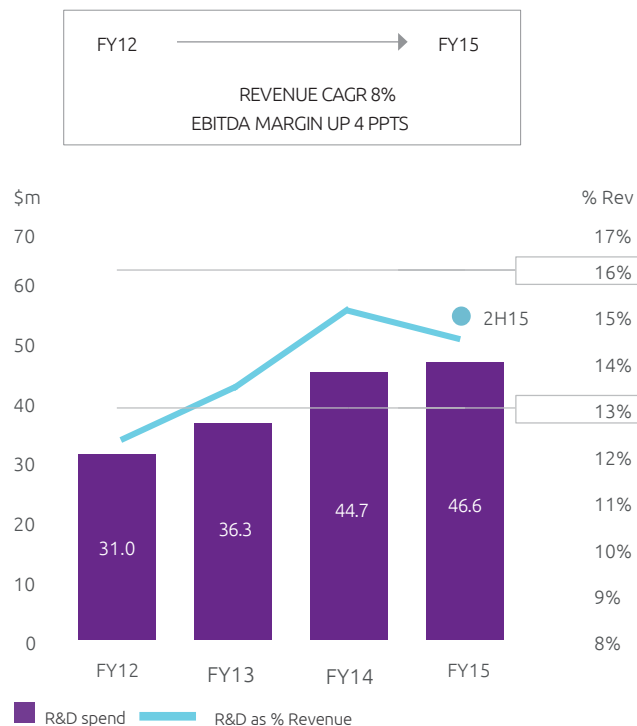
OUR FASTEST GROWING PRACTICE
SOLUTION



Targeted and disciplined investment in product innovation...

MYOB INVESTED 15% OF REVENUE IN PRODUCT IN 2H15 TO DRIVE INNOVATION AND MARKET SHARE

R&D SPEND¹

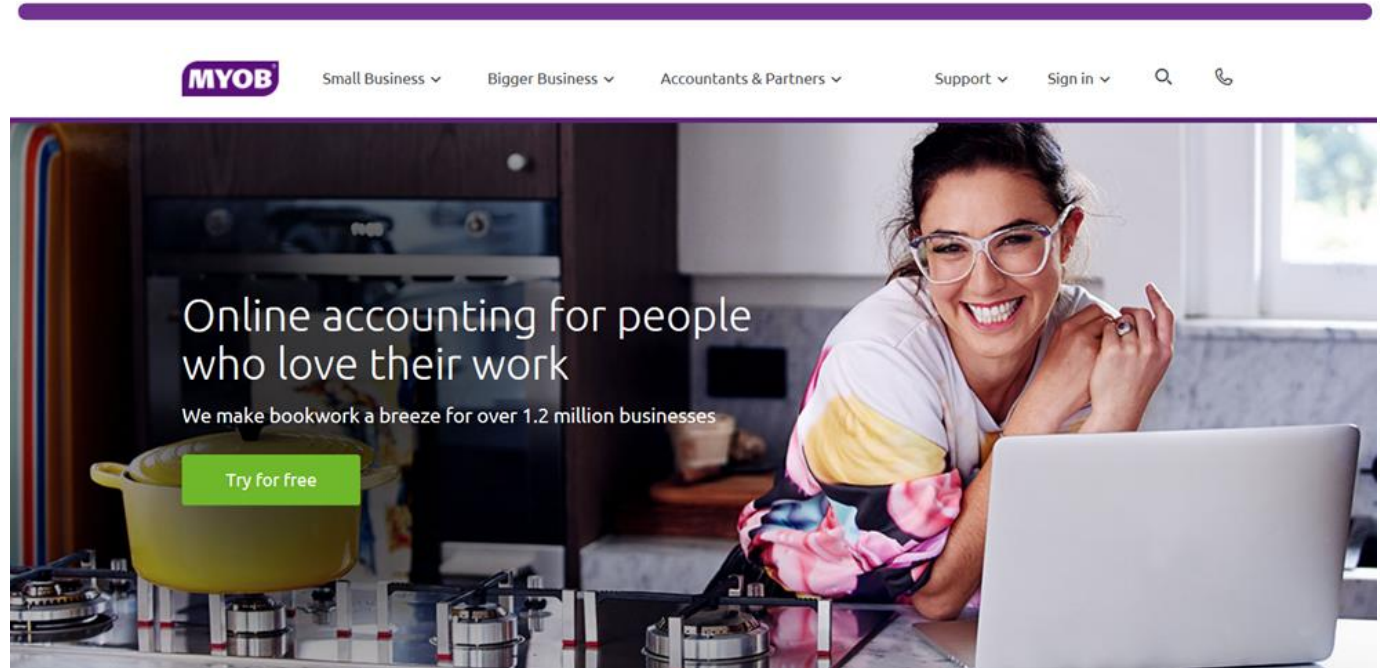


- MYOB has grown revenue and EBITDA margins while increasing R&D spend by >50% from 2012
- Investment focus is to drive growth
- Continued investment in the MYOB online platform means spend will remain in the previously advised 13%-16% of revenue range

Note: 1. Total R&D spend (opex + capex) as % of revenue.

Together with investment in digital marketing platform to further lift penetration

In 2015 MYOB partnered with Adobe Experience Manager to commence development of a new MYOB CMS (Content Management System) and eCommerce experience to be launched in 2016. We increased investment into marketing, driving market leading awareness (90%+) of the MYOB brand.

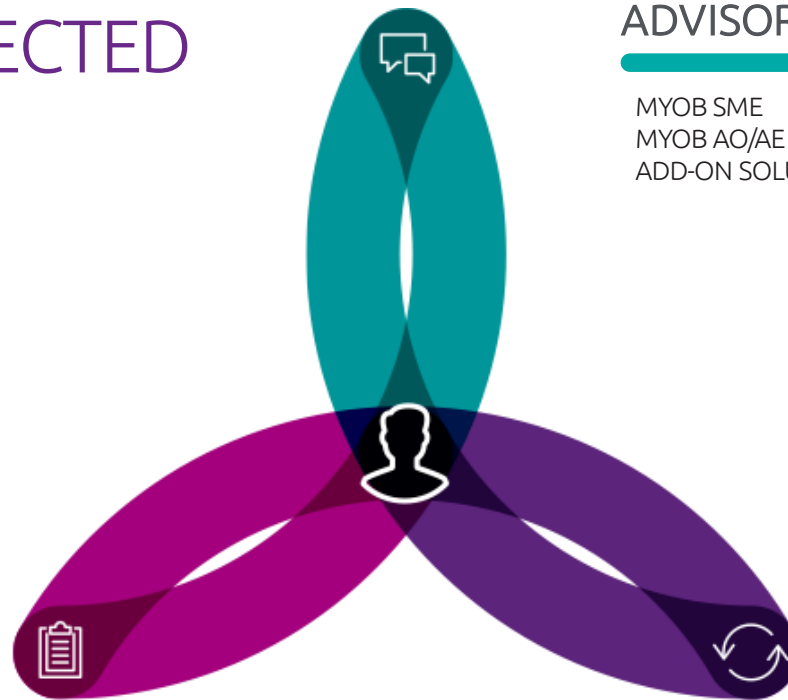


Adobe Experience Manager

We have a differentiated view of the future of the accounting industry,
and are building the MYOB online platform to power that vision

THE CONNECTED PRACTICE

POWERED BY MYOB



ADVISORY

MYOB SME
MYOB AO/AE
ADD-ON SOLUTIONS

COMPLIANCE

MYOB AO
MYOB AE

TRANSACTIONAL PROCESSING

MYOB BANKLINK
MYOB ESSENTIALS
MYOB ACCOUNTRIGHT

“

...[#MYOBCINCITE] KEYNOTE SPEECH
AND CORE MESSAGE ON THE
CONNECTED PRACTICE WAS
SOMETHING THAT I WOULD HAVE PAID
TO LISTEN TO. WELL DONE TO MYOB
FOR PICKING UP THE PACE AND MAKING
THIS INDUSTRY MORE EXCITING.

LIELETTE CALLEJA MYOB PARTNER

MYOB Current Trading

Given at MYOB AGM on 28th April 2016

“We are pleased with the performance of the business in the first quarter. The online platform rollout is proceeding to plan; the accounting channel is responding well to the opportunities of working online and team engagement is at an all time high.

We continue to focus on our local markets which are undergoing a period of growth, fuelled by online expansion. With our leading market share and support from small business and accountants, we believe we are well positioned to benefit from attractive industry dynamics in Australia and NZ.

Against that background, we reiterate our previous guidance for the full year.”

TIM REED CEO

MYOB 2016 Outlook

- MYOB reaffirms its 12 month June 2016 pro forma prospectus revenue, EBITDA and NPATA forecasts
- As controlled investment in online solutions continues, FY16 R&D expected to be in the upper half of the previously stated 13%-16% range

- We expect revenue growth for FY16 to be in line with historical trends, and EBITDA margins to remain in the 45%-50% range
- We also expect the 2016 dividend payout ratio to be in the range of 60%-80% statutory NPATA, in line with previous guidance

Thank you
Q&A