

ASX Release
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Præmium partners with Capita to develop SMA Service for UK Market

Australian separately managed account (SMA) and portfolio administration service provider, Præmium Limited (ASX:PPS) has announced today that its UK subsidiary has signed a deal with Capita to offer SMAs to independent financial advisers, wealth managers and financial institutions in the UK.

The deal provides a framework to prepare for the integration of Præmium's proprietary SMA platform with Capita's Enabler infrastructure. SMAs are a new concept in the UK, however they are well established and successful in the USA and growing in popularity in Australia. On completion of the initial deliverables set out in the agreement – which requires, amongst other things, for Capita to undertake review of the process and technical integration of the two platforms, analyse the marketing and distribution potential of the Præmium SMA offering and outline an implementation plan for the initial launch of the product offering – the parties plan to enter into an Implementation and Services Agreement which will set out more detailed terms for their longer term relationship.

This new agreement replaces and expands the arrangement that Præmium entered into in July last year with Synaptic Systems Limited which is now a wholly owned subsidiary of Capita.

Arthur Naoumidis, Managing Director of Præmium said "The opportunity to partner with Capita in the development of our services is an exciting avenue for our expansion into the UK marketplace. The combination of Capita's proven administrative capabilities with Præmium's innovative technology will provide existing and future clients with a unique alternative to current service offerings."

Phil Ludgate, head of product development at Capita, said: "Capita is delighted to link up with Præmium and we look forward to working together in developing an SMA service for the UK. This deal as part of the Capita Enabler initiative assists IFAs in providing a complete client investment service proposition, including full capital gains tax planning functionality. Capita are assisting Præmium to quickly establish a low-cost high-value distribution model and access to their V-Wrap platform in the highly-competitive UK financial services market."

About Præmium:

Præmium launched its proprietary online portfolio administration service ("V-Wrap") to the Australian market and secured its first clients early in 2002. V-Wrap is now enjoying considerable success: within 3 years, the value of investments administered by V-Wrap in Australia has grown from AUD100m to AUD20bn.

V-Wrap is used to administer in excess of 19,000 accounts for over 300 financial services organisations. Præmium's V-Wrap clients include some of Australia's largest financial service providers and global financial organisations.

An innovative approach to product design combined with the strength of the underlying technology has also enabled Præmium to develop its Separately Managed Account offering which is used exclusively in Australia by BlackRock Investment Managers (Australia) Limited (previously Merrill Lynch). This product has been received well by the market, winning the Rainmaker Marketing Excellence Awards 2006 "Best Innovation of the Year 2006".

Præmium listed on the Australian stock exchange (ASX:PPS) in May 2006 to raise capital for further expansion. Præmium's UK presence was established in October of last year with the acquisition of offices and data centre facilities in the heart of the City of London.

The Capita Group Plc is the UK's leading provider of integrated professional support service solutions. The Group's service capabilities encompass business process outsourcing, (BPO), customer services, administration and support, human resources, ICT, property consultancy, finance & treasury and consultancy delivered to both public sector and private organisations. With 27,800 employees at more than 250 offices across the UK, Channel Islands, Ireland and India, Capita is quoted on the London Stock Exchange (CPI.L), and is a constituent of the FTSE100 with revenues for 2006 of £1,739 million.

Further information on The Capita Group Plc can be found at:

<http://www.capita.co.uk/>

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Note: this announcement was relodged to replace earlier announcement with punctuation errors.