



ASX Announcement & Media Release

MDS Financial Group Limited

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ASX Code: MWS

Directors

Sean Rothsey

Chairman and Non Executive Director

Wayne Johnson

Deputy Chairman and Executive Director

Damian Isbister

Executive Director and CEO - Trading

Richard Symon

Executive Director and CEO - Software

Jamie Khoo

Independent Non-Executive Director

Secretary

Tony Iremonger

Company Secretary and CFO

312.3 million listed shares

12.5 million unlisted options

MDS Financial Announces Annual Financial Results

MDS Financial Group Limited ("the Group") announced today a 22% increase in consolidated group revenue of \$7,448,877, a net loss after tax of \$1,288,793 and underlying improved operating loss of \$293,505.

The net loss after tax includes impairment of goodwill associated with the acquisition of Bourse Data Pty Ltd in 2006.

These results compare favourably with the previous year which saw the Group report consolidated group revenue of \$6,096,740 and a net loss after tax of \$349,140.

The Group's underlying operating result, after adjustment for non-cash impairment of intangible assets of \$995,288 is a net after tax loss of \$293,505, which is an improvement of \$55,635 from the 2010 result.

The results reported today reflect costs associated with the strategic transition of the Group's primary business from software and data subscriptions to a transactional based broking and corporate advisory services model.

The Group has underpinned the future growth of its broking business through its recent purchase of ASX trading participant D2MX Pty Ltd, trading as D2MX Institutional Equities (D2MX), and the acquisition from the administrator of a number of key assets of the MINC Financial Services group.

INVESTOR UPDATE

All of the Group's trading clients have now been successfully migrated to execute transactions on the ASX by D2MX Pty Ltd.

All retail and third party clients of the Group's wholly owned subsidiary Trader Dealer Online Pty Ltd now trade directly through D2MX instead of being outsourced to other stockbrokers.

The aggregation of the Group's share and options trading is now comparable with other notable stockbrokers such as Austock, HTM Wilson and Shaw Stockbroking with monthly trading turnover in the vicinity of \$550 million.

The Group is also pleased to advise the successful raising of \$12 million and listing of Niuminco Group Ltd [NIU.ASX] on the ASX yesterday (30th August 2011) by the Group's corporate advisory subsidiary MDS Financial Services Pty Ltd.

This follows the successful Initial Public Offering of Allmine Group Ltd [AZG.ASX] earlier in the year.

Subsequent to previous announcements, MDS Financial Services Pty Ltd is also now a directly mandated advisor to Jersey Island and Cayman Island based fund manager Agincourt Capital (Jersey) Ltd. Through this strategic alliance MDS Financial Services is jointly promoting a Hong Kong based Renminbi (RMB) secured convertible bond fund, intended to provide a unique opportunity for Chinese and foreign investors to invest in Australian, Chinese and US real estate. In addition MDS Financial Services is jointly mandated with The Conrad Group Inc Miami and Agincourt Capital (Hong Kong) Ltd for global promotion and placement services to the funds.



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ABOUT MDS FINANCIAL GROUP

MDS Financial Group is a full-service corporate advisory and capital markets specialist with clients in Australia and the Asia-Pacific region. Listed on the Australian Securities Exchange (ASX), MDS Financial Group is also an ASX market participant, with institutional and third-party wholesale brokerage facilities underpinned by substantial retail online trading and market data services.

Wayne Johnson
Executive Deputy Chairman

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For more information please contact:

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