Investor presentation
Results for half year ended 31 December 2011

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February 2012

Agenda

- Highlights
- 1HFY12 financial results
- Strategic outlook
- Question & answers

Highlights

Financial services environment

- **Operating environment in financial markets remained challenging**
  - Ongoing difficulties in European financial markets impacted growth and certainty
  - Delays and deferrals continued to impact business in short term
  - Strong Australian dollar impacted revenue and profitability
  - Changing statutory requirements still not finalised by regulatory bodies
- **Trend to obtain increased efficiency and cost reduction driving market interest in technology based solutions**
- **Increasing pressure to meet regulatory change is now becoming more time critical for clients**

Key points

- **Stabilised financials – well positioned for long-term future growth**
  - NPAT improved by 25% to $2.2m
  - Cash flow continued to improve with operating inflow of $12.5m compared to $8.1m in prior corresponding period
  - EBITDA profit of $9.4m continued to be impacted by decline in GBP
- **Continued to secure new client contracts and complete implementations**
  - Russell Investments selected Sonata to administer retail offering
  - Politis signed new seven year contract for Garradin Private Wealth & Portfolio Management system
  - Australian Ethical Investment implemented Garradin for unit pricing and asset management functionality
- **Strategic plan well defined and progressed**
- **Deepened client focus**

1HFY12 financial results

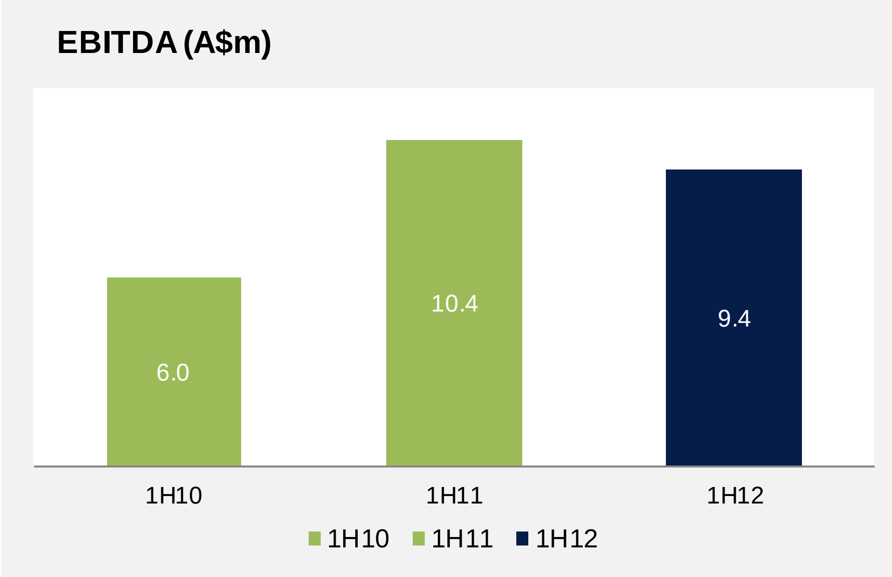
1H12 financial performance

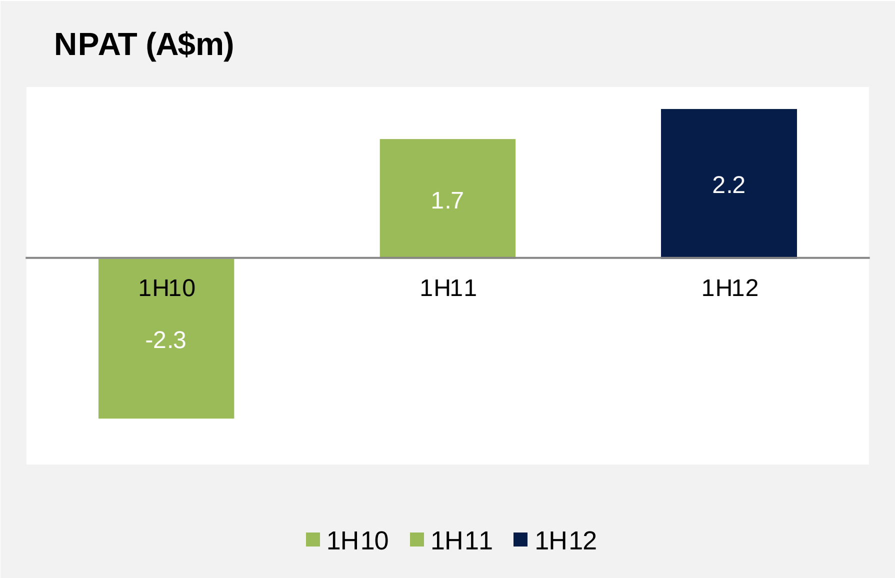
	1HFY11	1HFY12	[2] Constant currency 1HFY12	Constant currency chg.	Actual chg.
Revenue [1]	**61.1**	**59.8**	**63.1**	**3.2%**	**(2.2%)**
Expenses	50.7	50.4	52.9	4.2%	(0.7%)
EBITDA	**10.4**	**9.4**	**10.2**	**(1.8%)**	**(9.3%)**
Net profit/(loss) after tax	1.7	2.2	2.9	**68.0%**	**25.3%**
Operating cash flow [3]	**8.1**	**12.5**	**n/a**	**- %**	**54.4%**

1. Revenue excludes interest income
2. Constant currency - assumes foreign exchange rates remained constant at FY11 rates
3. Excludes interest and income taxes paid

- Revenue continued to grow in constant currency
- EBITDA of $9.4m continued to be impacted by decline of GBP
- NPAT improved by 25%
- Operating cash flow continued to be positive; enabled share buy-back during the period

1H12 financial performance



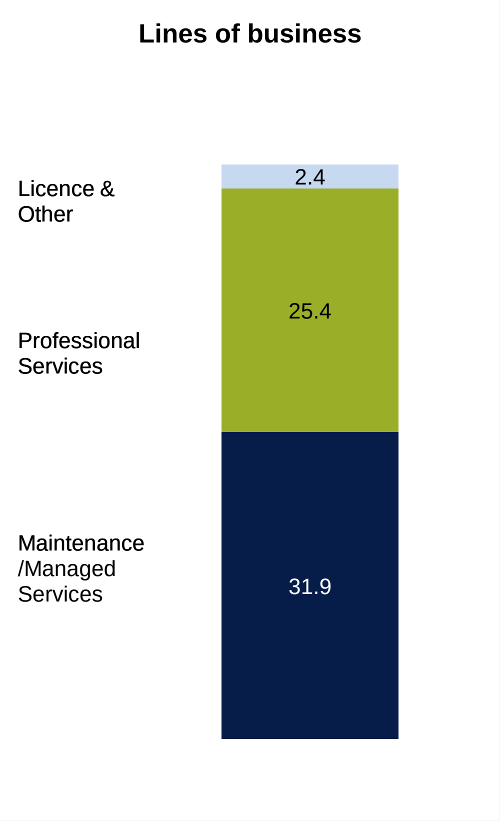


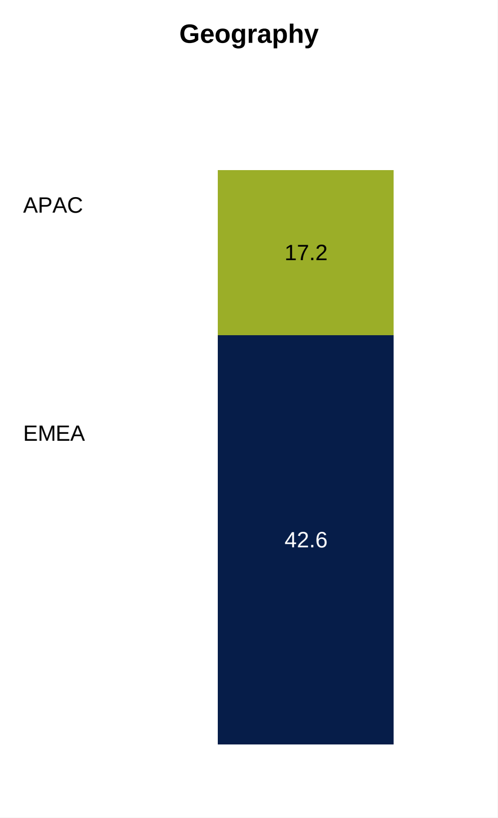
Consistent performance

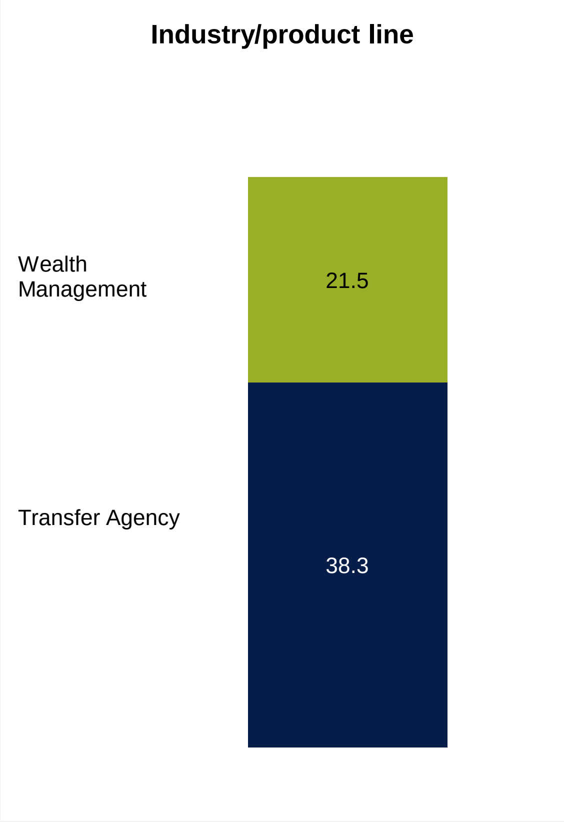
- EBITDA remained strong in challenging operating environment
- NPAT continued to significantly improve year on year

1H12 revenue summary (A$m)

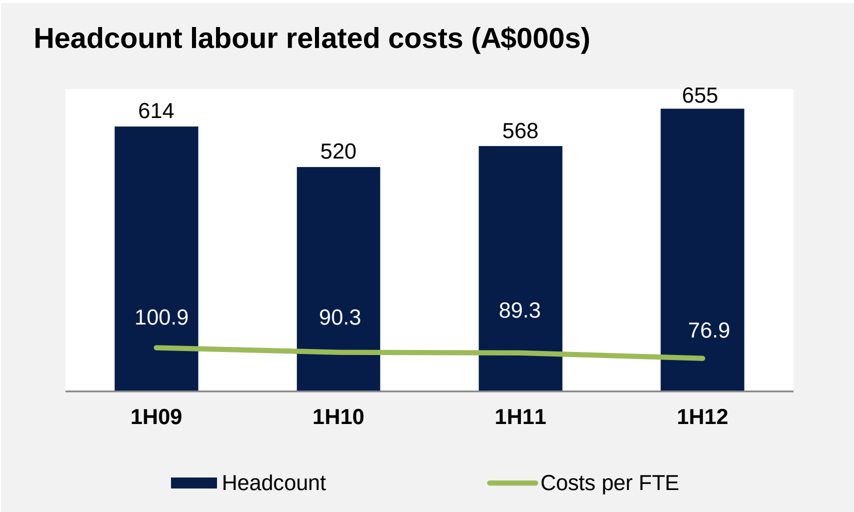
- Revenue continued to be well diversified across lines of business, geography and industry/product lines

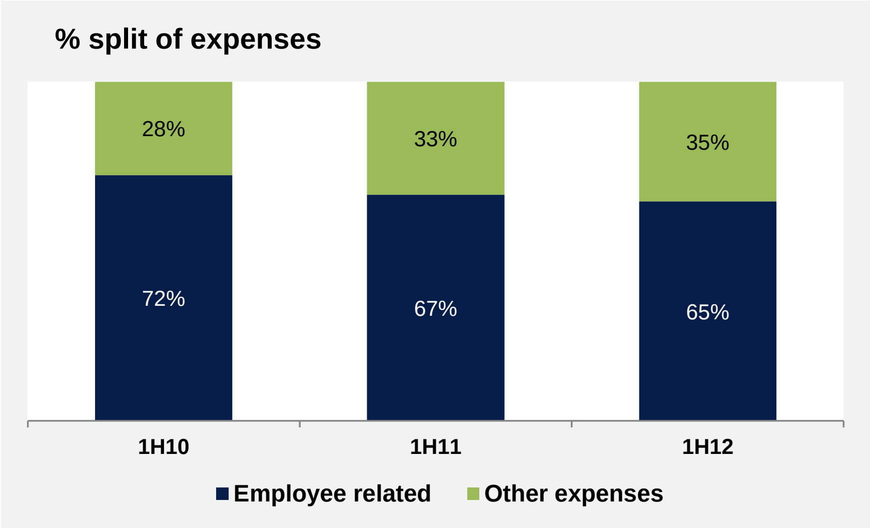






Operating cost management





Cost per head reduction

- Operating expenses continued to be effectively managed
- Headcount cost reduced by 14% due to low cost development centres in Poland and India
- Employee expenses as percentage of total cost continued to decrease, due to increase in number of recurring managed services contracts

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Balance sheet

A$m	Jun-11	Dec-11
Assets		
Cash	3.7	5.2
Other current assets	31.7	25.7
Intangible assets	121.0	117.2
Other non-current assets	17.4	22.0
Total assets	**173.8**	**170.1**
Liabilities		
Borrowings	24.9	30.2
Other current liabilities	32.4	28.2
MFT earn-out	1.5	-
Other non-current liabilities	8.0	7.8
Total liabilities	**66.8**	**66.2**
Net assets	**107.0**	**104.0**
Contributed equity	137.8	134.2
Reserves	(1.3)	(3.0)
Accum (losses)/retained profits	(29.5)	(27.3)
Total equity	**107.0**	**104.0**

- Net assets reduced slightly due to continued amortisation of intangibles
- Borrowings decreased from 1H11 and moved to current liabilities as bank facilities due to expire December 2012
- Other non-current assets included investment in new data centre for UK managed services offering
- Equity reduced due to share buy-back (capital management strategy)

Funding profile

- Funding profile consistent with prior corresponding period

		Facility limit (m)		Drawn down value (m)	Due date
Working capital facility					
AUD revolving tranche facility	$	8.3	$	-	Dec 12
GBP revolving tranche facility	£	3.5	£	2.2	Dec 12
Amortising term facility					
AUD term tranche facility	$	4.2	$	4.2	Dec 12
GBP term tranche facility	£	12.2	£	12.2	Dec 12
Total debt facilities @ 1.5185	**$**	**36.3**	**$**	**26.0**	

	Covenant	Dec-11	
Net assets	>65m	$104m	✓
Leverage ratio [1]	<3.0x	1.8	✓
Interest cover ratio [2]	>4.0x	9.5	✓

1. Leverage ratio is defined as total debt as at end of the relevant period to proforma EBITA for the prior 12 months
2. Interest cover ratio is defined as EBITA for the prior 12 months to interest expense for the corresponding period

Strategic outlook

Wealth Management

- Market interest in Sonata platform evident from increasing number of product demonstrations and industry consultant attention
- Implementation of Sonata platform commenced for market leading Australian superannuation TPA, Russell Investments
- Garradin v12.0 has extended tax optimisation functionality, providing access to new trust market
- More than one million New Zealand KiwiSaver members supported on Bravura's wealth management platform
- Extensive programs of work commenced for Citi Group, following acquisition of Scottish Friendly's Wrap TPA business

Transfer Agency

- Continued focus on development projects for TA Web, Operational Data Store (ODS) and Retail Distribution Review (RDR), as well as improvements to Babel's processing capabilities
- Clients reviewed extensions to scope and terms of contracts
- Healthy business partnerships with existing client base strengthened
- Major focus in coming months on client data centre migrations

Key summary points

- Maintained revenue in a difficult economic climate
- Consistent and stable financial position
  - Increased net profit and improved cash flow
- Continued cost management focus
- Maintained focus on specialisation in transfer agency and wealth management in Asia Pacific, UK and European markets
- Continued to utilise and grow offshore development centres in Poland and India

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Going forward

- Early signs that European financial services markets are stabilising
- Interest in Sonata gaining traction in wealth management and life insurance markets
- Clarity of regulatory requirements creating increased interest in messaging solutions
- Continue to review acquisition opportunities synergistic with existing business

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Questions and answers