



ASX ANNOUNCEMENT

Improved sales revenue and EBITDA performance for half year: Supported by strengthened, strategic client relationships

Sydney, 14 February 2013 (ASX: BVA) – Bravura Solutions Limited (Bravura) - a leading global supplier of wealth management, life insurance and transfer agency software applications and services – today announced the half year results for the period ended 31 December 2012.

Sales revenue improved by seven per cent to \$64.0 million and EBITDA improved by 12 per cent to \$10.6 million. Cash flow improved substantially for the sixth consecutive six month period. Operating inflows were \$20 million, a 75 per cent increase, compared to \$11.4 million in the prior corresponding period.

Bravura Chairman, Brian Mitchell said, “Our solid sales revenue, EBITDA and operating cash flow results are pleasing, leveraging off the focus we have placed on strengthening our relationships with key strategic clients. As the operating environment in financial markets improves, we are seeing increased market interest in our solutions, as organisations focus on complying with regulatory change and seek to drive cost reductions and efficiency through the use of automated technology.

“Our improved half year results illustrate our continued commitment to growth.”

Bravura’s CEO, Tony Klim said, “Twelve months ago, we undertook a programme to refine and implement our strategic plan. Having signed three long-term contract extensions with existing clients, and one contract with a new client, we are confident with our progress.

“We have continued to work with our existing clients across all product lines and regions, having successfully completed more than 40 upgrades and 11 implementations, migrations and go-live projects during the six month period.

“We are pleased to have launched two new products in the Australian market; Garradin SMSF functionality as part of our contract win with Smith Coffey, and Babel as a SuperStream messaging solution. As the deadline for SuperStream compliance draws closer, we are experiencing significant interest in this offering in the Australian wealth management space.”

“As we continue to leverage off our success, we maintain our focus on further strengthening relationships with existing clients, and our drive to be a leading provider of wealth management, life insurance and transfer agency software solutions in the Asia Pacific, United Kingdom and European markets.

1HFY13 highlights

- Sales revenue increased by seven per cent to \$64.0 million from the prior corresponding period
- EBITDA increased by 12 per cent to \$10.6 million from the prior corresponding period
- Operating cash flow increased significantly by 75 per cent to \$20.0 million from the prior corresponding period
- Net loss after tax of \$0.6 million due to increased investment in operational headcount and foreign exchange losses on intercompany transactions

Results overview

(A\$M)	1H12 Actual	1H13 Actual	1H13 Constant Currency ¹	% Change Constant Currency ¹	% Change Actual
Sales revenue ²	59.8	64.0	64.6	8.0%	7.2%
Expenses	50.4	53.5	53.7	-6.7%	-6.2%
EBITDA	9.4	10.6	10.8	15.3%	12.3%
Net profit / (loss) after tax	2.2	-0.6	-0.3	113.8%	-125.8%
Operating cash flow	11.4	20.0	N/A	N/A	75.4%

1 Constant Currency - Assumes foreign exchange rates in FY2013 remained constant at FY2012 rates

2 Sales revenue excludes interest income

Sales revenue

Sales revenue for the first half of FY2013 was \$64.0 million, a seven per cent increase from the first half of FY2012. Sales revenue growth resulted from an increase in business from existing clients, including extensive wealth management programs of work for BNY Mellon and Citi.

Annuity revenue streams are a valuable source of income and continue to be approximately 50 per cent of total revenue across the Group. Bravura continues to drive sales revenue that is well diversified across all lines of business, geography and sector /product.

EBITDA

EBITDA improved by \$1.2 million over the prior corresponding period, a 12 per cent increase. This is largely attributed to steady growth in sales revenue as noted above, and a reduction in overall cost per head, through effective utilisation of low cost development centres in India and Poland.

Operating costs

Total operating costs have increased as a result of additional headcount predominantly in Poland and India, and an alignment of subject matter expertise in the most appropriate locations. With an improved pipeline of interest in Sonata, we are continuing to invest in employee training and development to ensure continued success.

Operating cash flow

Operating cash flow improved from the prior corresponding period, with a 75 per cent increase to \$20.0 million for the half year period. This significant increase is attributed to the collection of accounts receivable, and an overall reduction in the number of days these receivables remain outstanding.

Balance sheet

Bravura's financial position and balance sheet remained stable - net assets remained consistent with year-end results. There has been a significant improvement in the Company's net current asset position due to the refinancing of debt facilities with the Commonwealth Bank Australia.

There has been a nominal decrease in equity due to the share buy-back, which concluded in September 2012.

Bravura remained within all banking covenants as at 31 December 2012.

Events over last six months

In the APAC Wealth Management and Life Insurance division, Bravura signed a three year contract with existing client StatewideSuper for its Talisman, SuperB and ePASS superannuation solutions, including Bravura's contribution clearing house.



Bravura also signed a contract with new client Smith Coffey for the use of Garradin to administer Individually Managed Accounts (IMAs) and Self Managed Super Funds (SMSFs). Bravura also released enhanced tax platform and government retail bonds functionality on its Garradin application.

During the six month period, Bravura also launched Babel, its financial messaging product to the Australian market as a SuperStream solution. Interest is growing as the July 2013 compliance deadline for defining how superannuation funds must communicate when processing rollovers and employer contributions draws near.

In EMEA, Bravura signed a ten year technology and managed services extension agreement with existing client BNY Mellon. Schroders also selected Bravura's Straight Through Processing Babel messaging solution to interface with Bravura's Global Fund Administration System (GFAS) platform.

Bravura continues its extensive wealth management program of work for Citi, following its acquisition of Scottish Friendly's wrap business and a large Rufus upgrade program for BNY Mellon and additional key UK clients.

Outlook

With continued signs that the global operating environment in financial services is slowly improving, Bravura continues to focus on generating interest from the UK wrap and Australian superannuation markets for Sonata, also driving opportunities for Babel as a messaging solution for SuperStream compliance and leveraging off its success with its first Garradin SMSF client.

Cost and cash management remain a focus in every facet of the business, with the continuing use of Poland and Indian development centres as a source of cost effective resourcing.

With improved sales revenue and EBITDA, supported by strengthened, strategic client relationships, the Company is confident on its ability to commit to growth.

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For further information, visit <http://www.bravurasolutions.com> or contact:
Brian Mitchell, Chairman, Bravura Solutions Limited +6 12 9018 7800