HANSEN TECHNOLOGIES

1H 2017 Results
Investor Presentation

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All dollar values are in Australian dollars (A$) unless otherwise stated.

1H 2017 Financial Dashboard

Revenue

$86.9m

▲ **17.5% on 1H16**

EBITDA

$23.8m

▲ **6.6% on 1H16**

NPATA[1]

$15.3m

▲ **9.6% on 1H16**

EPS[2]

8.5 cents

▲ **7.2% on 1H16**

DPS

3.0 cents

Same as 1H16

Net Cash

$15.4m

1. NPATA = Net profit after tax excluding amortisation of acquired intangibles (refer page 4)
2. Basic EPS based on NPATA

1H 2017 Highlights

- **Revenue of $86.9m** – 17.5% up on 1H16 and included:
  - $3.2m or 4.5% underlying[1] growth in our core billing revenue on a constant currency basis
  - offset by a $4.4 million reduction due to currency movements
  - $14.7m 6-month contribution from US-based Solutions business (SaaS billing & outsourcing solution for energy retailers)
  - $1.1m 2-month contribution from UK-based HiAffinity (water billing software)
- **EBITDA of $23.8m** – 6.6% up on 1H16
  - Equates to a margin of 27.4%, or slightly above 30% if the lower margin Solutions business is excluded
- **Some significant new contract wins:**
  - Addition of MNC Media for PayTV – Indonesia's largest Pay TV operator
  - Strategic upgrade for Xcel Energy in the US – integrating our complex billing module to manage their commercial & industrial customers
- **On-track to achieve FY2017 guidance**:
  - Revenue in the range of $165m to $175m
  - EBITDA margin between 25% and 30%

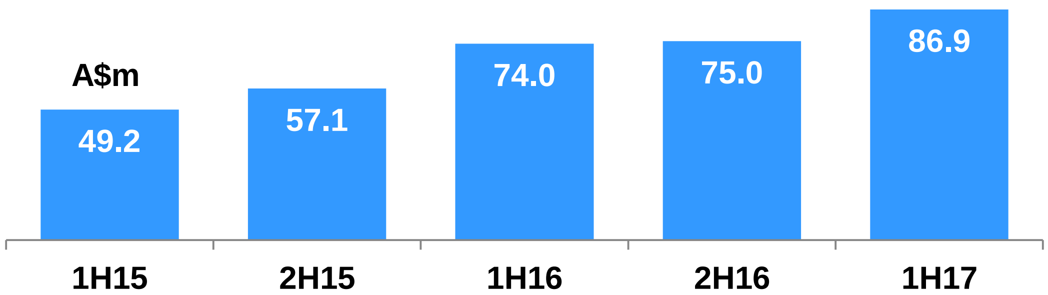
1. Excluding the impact of acquisitions

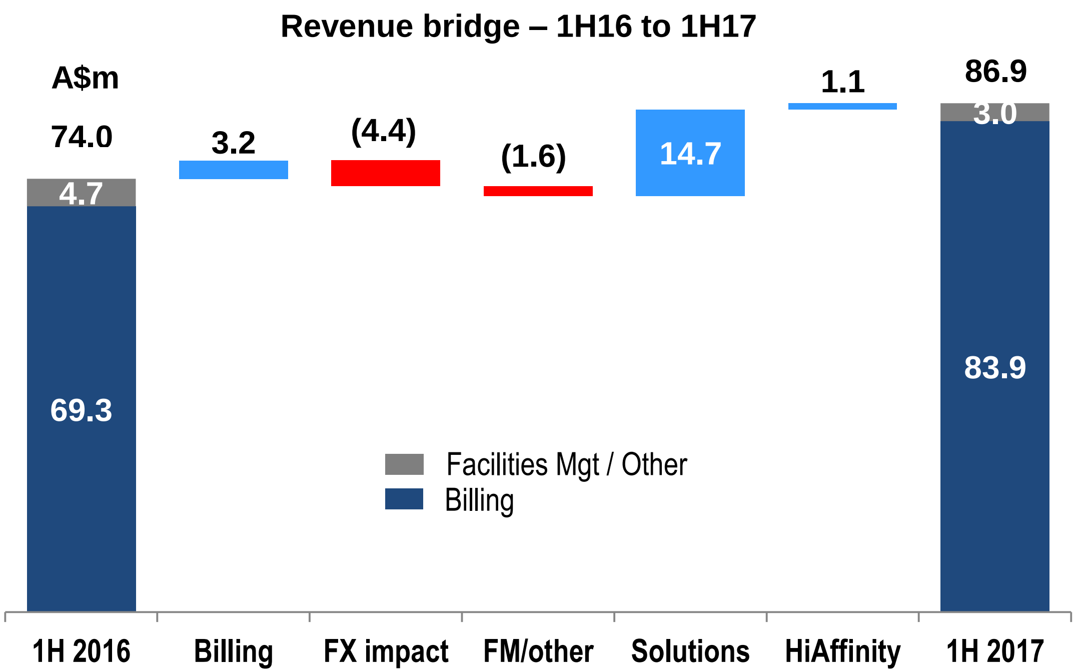
Profit overview

A$m	1H16	1H17	Variance
Operating revenue	74.0	86.9	▲ 17.5%
EBITDA	**22.3**	**23.8**	▲ 6.6%
Depreciation and amortisation	(2.6)	(3.2)	
EBITA	**19.7**	**20.5**	▲ 4.5%
Amortisation of acquired intangibles [1]	(1.9)	(2.6)	
EBIT	**17.8**	**18.0**	
Net interest	(0.0)	0.1	
Income tax	(5.1)	(4.5)	
NPAT	**12.6**	**13.5**	▲ 6.8%
Add back amortisation of acquired intangibles [2]	1.3	1.8	
NPATA	**14.0**	**15.3**	▲ 9.6%
EPS (Based on NPATA)	**7.9**	**8.5**	▲ 7.2%
EPS (Based on NPAT)	**7.1**	**7.5**	▲ 4.4%

1. **Amortisation of acquired intangibles** is the amortisation of identifiable intangible assets (namely technology, trademarks and customer contracts) arising from business combinations
2. On an after-tax basis – tax effected at 30%

Revenue



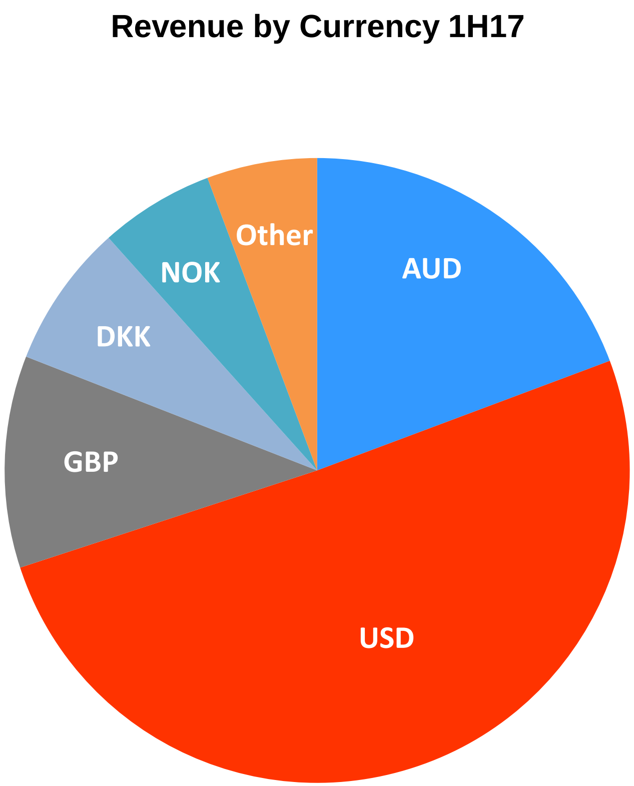


1H17 revenue of $86.9m was $12.9m (17.5%) higher than 1H16:

- Underlying[1] billing revenue increased $3.2m or 4.5% on a constant currency basis
- FX movements resulted in a $4.4m reduction in revenue – with GBP weakness the main contributing factor
- $1.6m lower revenue from our non-core facilities management/other business – with $1.3m of the reduction due to the expected movement of our only superannuation fund client to a mainstream system provider (which will be $2.7m for FY2017)
- The acquisition of the US-based Solutions business effective 1 July 2016 contributed $14.7m for the half
- The acquisition of the UK-based HiAffinity business effective 1 November 2016 contributed $1.1m in the 2-month period

1. Underlying billing revenue movement excludes the impact of acquisitions and is on a constant currency basis (i.e. FX neutral)

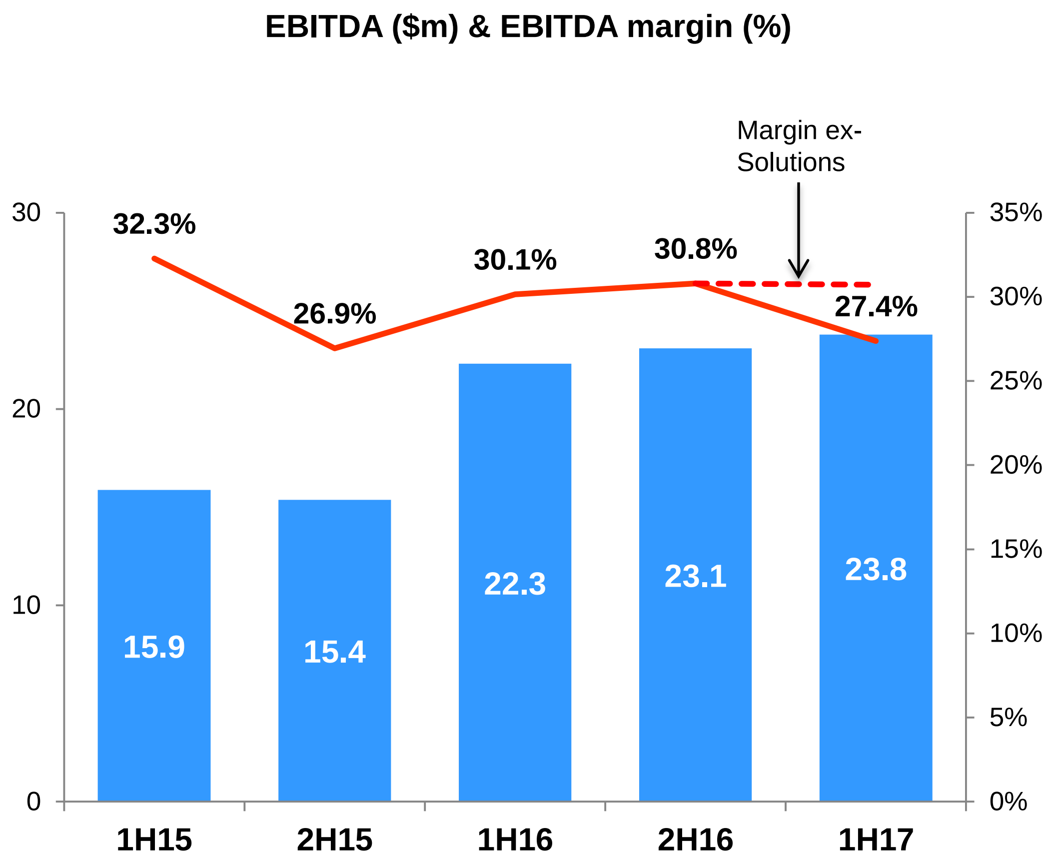
Currency impact



- With the acquisition of the US-based Solutions business, US$ revenue now accounts for circa 50% of total revenue
- Weakening of the GBP and USD (as well as other currencies) relative to the AUD during 1H17 resulted in a $4.4m reduction in revenue compared to 1H16:

Currency	1H16 average	1H17 average	Revenue Impact (A$m)
AUD/USD	0.7231	0.7536	(1.3)
AUD/GBP	0.4713	0.5897	(2.1)
Other			(1.0)
Total			**(4.4)**

EBITDA



- As anticipated with the inclusion of the Solutions business, 1H17 EBITDA margin of 27.4% back in middle of 25%-30% target range
- Excluding lower margin Solutions business (which includes BPO and call centre services), EBITDA margin for the half would have been slightly above 30%

Cash Flow

A$m	1H16	1H17
EBITDA	**22.3**	**23.8**
Working capital/other	3.3	2.1
Net interest	0.0	0.1
Income tax	(6.8)	(6.4)
Operating cash flow	**18.8**	**19.6**
Capex	(0.8)	(2.5)
Capitalised development costs	(2.2)	(3.9)
Free Cash Flow	**15.8**	**13.2**
Acquisitions	0.0	(22.8)
Share issues (options exercise)	0.8	1.7
Borrowing proceeds (payments)	(10.0)	2.0
Dividends (net of DRP)	(4.7)	(6.5)
Net Cash Flow	**1.8**	**(12.4)**
Cash Balance	**23.8**	**17.8**

- $13.2m free cash flow for the half, $2.6m down on 1H16 mainly due to:
  - higher capex – a result of investment in customer infrastructure and office moves in London and Auckland
  - increased capitalised development costs ($3.9m equates to 4% of revenue)
- $22.8m for acquisitions comprises:
  - $14.3m for Solutions
  - $8.5m for HiAffinity

Current growth drivers

Pay TV – Emerging Markets	• DTH (Direct to Home) digital signals, combined with a burgeoning middle class in emerging markets, are significant demand drivers for satellite pay TV subscription services – Our ICC product is a leading solution in the market for pay TV operators
Multi-Service Convergence	• Digital network operators are expanding the services they offer to include the full spectrum of broadband, mobile, fixed-line telephony and pay TV – Creates billing complexity and the need for more sophisticated systems
Digitisation	• The turning off of analogue services in favour of digital transmission and the issue of new licences to new participants (particularly in emerging markets) creates the need for new systems – Provides opportunities for our NaviBilling and ICC products
Power of Choice – Australia	• Energy Retailers (rather than Distributors) will have choice of meter provider – enabling them to provide different pricing structures to consumers • Drives the need for Distributors, Retailers and new market entrants to have compliant systems to support this initiative – providing the opportunity for development services and new deployments
Electricity deregulation – Japan	• Effective April 2016, new entrants can enter the Japanese retail electricity market, enabling consumers to choose their power supplier • Partnering with Toshiba in this market

We love change, competition and complexity

About Hansen

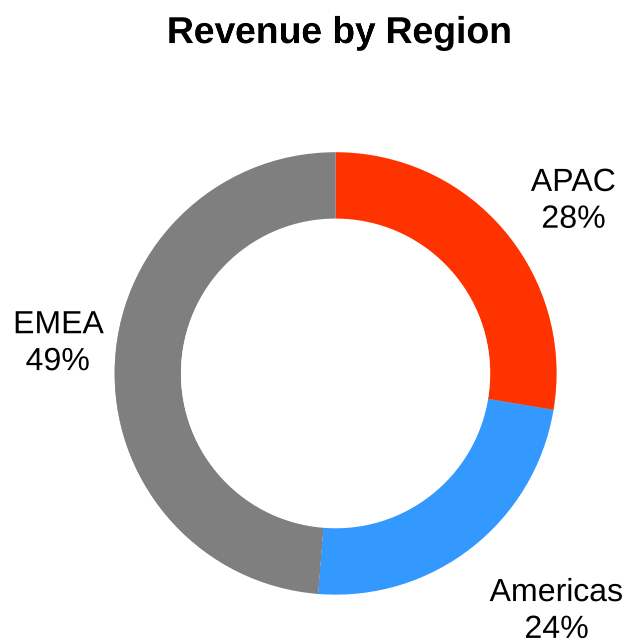
- 40+ years in operation
- Leading global provider of billing and customer care solutions to 4 verticals: energy, water, telcos, Pay TV
- 800+ team members around the world
- ~200 customers in 45+ countries
- ~A$700m market capitalisation

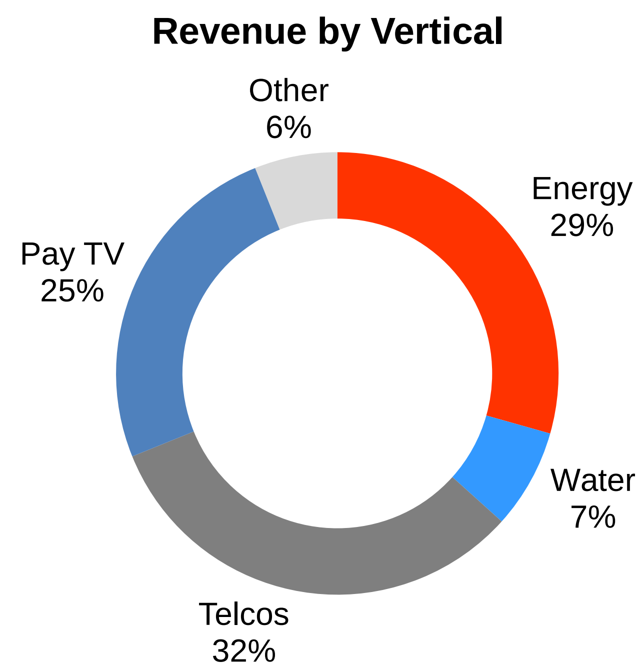
Revenue FY16

$149m

EBITDA FY16

$45.4m





Long term vision

We are committed to growing our business and delivering value to shareholders by:

1. Servicing our existing customers exceptionally well
2. Investing in R&D to ensure we continue to have best of breed solutions
3. Increasing our recurring revenue streams
4. Developing our people and building systems to support our growth
5. Continued targeted strategic acquisitions to extend the Hansen footprint

We take a 10+ year view with what we do