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SHAREHOLDER
REVIEW

2012

CERTAINTY

INGENUITY

ADVANTAGE

 Computershare

This review covers the consolidated entity consisting of Computershare Limited and its controlled entities.

This review is presented in United States Dollars (USD), unless otherwise stated. Computershare Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Computershare Limited,
Yarra Falls,
452 Johnston Street, Abbotsford,
Victoria 3067 Australia

The financial report was authorised for issue by the directors on 24 September 2012. The company has the power to amend and reissue the financial report.

A separate notice of meeting, including a proxy form is enclosed with this Shareholder Review.

The non-IFRS financial information contained within this document has not been reviewed or audited in accordance with Australian Auditing Standards.



Financial Highlights

	JUNE 2012	JUNE 2011	% CHANGE
STATUTORY RESULTS			
Total revenue	1,807.2 million	1,604.3 million	13%
Net profit after non-controlling interests (NCI)	156.5 million	264.1 million	-41%
Statutory earnings per share	28.16 cents	47.53 cents	-41%
MANAGEMENT ADJUSTED RESULTS			
Total revenue*	1,807.2 million	1,604.3 million	13%
Management EBITDA*	459.0 million	493.6 million	-7%
Management net profit after NCI*	272.8 million	309.3 million	-12%
Management earnings per share*	49.09 cents	55.67 cents	-12%
BALANCE SHEET			
Total assets	3,681.7 million	2,873.2 million	28%
Total shareholders' equity	1,176.5 million	1,245.5 million	-6%
PERFORMANCE INDICATORS			
Free cash flow	294.5 million	296.2 million	-1%
Net debt to management EBITDA*	2.86 times	1.35 times	
Return on equity*	22.30%	26.90%	
Staff numbers	13,909	11,491	
DIVIDENDS			
	AMOUNT PER SECURITY	FRANKED AMOUNT PER SECURITY	
Final dividend	AU 14 cents	60%	
Interim dividend	AU 14 cents	60%	

* These financial indicators are based on management adjusted results. Management adjusted results are used, along with other measures, to assess operating business performance. The Group believes that exclusion of certain items permits better analysis of the Group's performance on a comparative basis and provides a better measure of underlying operating performance. Management adjustment items that were income to the Group are included in statutory results as other income and therefore management total revenue is consistent with statutory total revenue.

Financial Highlights

Reconciliation of Statutory Results to Management Adjusted Results (\$ million)

	2012	2011
Net profit after tax as per Statutory Results	156.5	264.1
(Gain)/loss on disposals	(3.7)	20.5
Provision for tax liability	7.0	-
Restructuring provisions	2.4	3.0
Impairment charge - Continental Europe	63.8	-
Acquisitions related	(4.3)	(5.7)
Marked to market adjustments - derivatives	0	0
Intangible assets amortisation	51.1	27.4
Total management adjustment items	116.3	45.2
Net profit after tax as per Management Adjusted Results	272.8	309.3

Below are the details of management adjustment items net of tax:

(Gain)/loss on disposals

FY12: Gains totalling (\$3.7 million) on the disposal of software in Australia and the disposal of the National Clearing Company business in Russia.

FY11: Loss of \$19.7 million on disposal of the North American options administration and Transcitive self administration software businesses and a loss of \$0.9 million on disposal of Computershare Electoral Management Services business in the UK.

Provision for tax liability

FY12: Provision of \$7.0 million for a potential tax liability associated with prior year business activities.

Restructuring provisions

FY12: Redundancy costs and provisions \$1.5 million related to UK, German and Australian employees and restructuring provisions totalling \$0.9 million related to US and German property leases.

FY11: Restructuring provisions \$3.0 million related to the UK, Russia and US businesses.

Impairment Charge - Continental Europe

FY12: An impairment charge against Continental European intangible assets of \$63.8 million.

Acquisitions related

FY12: Adjustment relates to a bargain purchase adjustment of (\$16.3 million) related to the SLS acquisition; integration costs of \$5.6 million related to the Shareowner Services acquisition from Bank of New York Mellon; acquisition costs of \$5.2 million related predominantly to the purchase of Shareowner Services; SLS and the Serviceworks Group acquisitions and contingent consideration adjustments of \$1.1 million related primarily to the Solium disposal and the SLS acquisition.

FY11: Adjustment relates to reversal of acquisition related provisions of (\$4.3 million) no longer required; fair value revaluation gain of (\$2.5 million) related to consolidation of previously held equity interests in Nikoil and Computershare Offshore Services and acquisition costs of \$1.1 million related to the VEM, Nikoil, Servizio Titoli, Computershare Pan Africa and Shareowner Services acquisitions.

Marked-to-market adjustments - derivatives

Derivatives that have not received hedge designation are marked to market at the reporting date and taken to profit and loss in the statutory results. The valuations loss of \$0.026 million in FY2012 and valuation gain of (\$0.1 million) relate to future estimated cash flows.

Intangible assets amortisation

Customer contracts and other intangible assets are recognised separately from goodwill on acquisition and amortised over their useful life in the statutory results. The amortisation of these intangibles in FY2012 was \$51.2 million and in FY2011 was \$27.4 million. The amortisation amount increased materially in FY2012 following the identification of intangible assets related to the Shareowner Services, SLS and Serviceworks acquisitions.

Financial Calendar

2012

20 AUGUST Books closed for final dividend

11 SEPTEMBER Final dividend paid

14 NOVEMBER The Annual General Meeting of Computershare Limited ABN 71 005 485 825

LOCATION: Computershare Conference Centre
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

TIME: 10.00am

2013

13 FEBRUARY Announcement of the financial results for the half year ending 31 December 2012

A Message from the Chairman and CEO

Computershare's 2012 annual report outlines a creditable result in what continues to be a very challenging environment. Statutory earnings per share fell 41% versus our FY2011 result. Management earnings per share fell 12% versus our FY2011 result. In similar circumstances to last year, Computershare's recurring revenue lines held up while transactional revenue lines remained well below previous highs. This lack of corporate activity continued to put pressure on our businesses' operating margins. However, we did make some material acquisitions this year that immediately contributed to earnings. In light of current conditions management remain focused on enterprise costs. We do not anticipate a material improvement in the current difficult operating environment for our market-related businesses. As stated in our annual results announcement, we expect management earnings per share in FY2013 to be between 10% and 15% higher than in FY2012.

OUR PERFORMANCE

Year on year, Computershare experienced a fall in statutory basic earnings per share, which decreased by 41% to 28.16 cents in FY2012. Management earnings per share decreased by 12% to 49.09 cents in FY2012. Likewise, statutory net profit after Non-Controlling Interests (NCI) fell 41% to \$156.5 million. Management adjusted net profit after NCI fell 12% to \$272.8 million. Underpinned by acquisitions during the year our total revenues and other management income grew 12.4% to \$1,818.7 million, while operating cash flows also increased by 4.7% to \$334.6 million.

CAPITAL MANAGEMENT

The Company's issued capital did not change during the year. There were 555,664,059 issued ordinary shares outstanding as at 30 June 2012. Since 30 June 2011 our total assets grew by \$808.5 million to \$3,681.7 million. Shareholder's equity decreased \$69.0 million to \$1,176.5 million over the same period.

Since 30 June 2011 our net borrowings have increased to \$1,313.0 million from \$666.3 million. Debt facilities maturity averages 5.6 years following the \$550.0 million private placement facility executed in February 2012.

OUTLOOK

Computershare will continue to focus on:

- Driving operational quality and efficiency through improved measurement, benchmarking and technology
- Improving front office skills to protect and drive revenue
- Seeking acquisition and other growth opportunities where they will add value and enhance returns for Computershare shareholders

In addition, we are committing priority resources to:

- Integration of recent acquisitions
- Continued improvement of our market position
- Engagement with regulatory developments and market structure change across jurisdictions

Computershare has a strong operational and financial platform from which to execute these strategies.

CONCLUSION

We would like to acknowledge and applaud the work done by Computershare employees all over the globe and would also like to express our gratitude to our fellow directors for their ongoing guidance and advice. We also extend our thanks to our shareholders and clients, we value your continued support and appreciate the trust you place in Computershare. Together, we will embrace the challenges and rewards of the year ahead.



CJ Morris
Chairman



WS Crosby
Chief Executive Officer

Regional Overview

AUSTRALIA AND NEW ZEALAND

Year on year, revenue in the region increased 13.9% to \$407.2 million, while management EBITDA dropped by 12% to \$76.9 million. Australia and New Zealand highlights included:

- › Winning the contract with New Zealand Treasury to manage the high profile IPOs associated with the sale of state owned enterprises
- › Using our experience in effectively communicating with employees to help BHP Billiton and Fletcher Building win accolades at the 2012 Employee Ownership Australia Awards
- › Winning the contract for all of Superpartners' inbound and outbound requirements, one of the most significant new business appointments in Communication Services' history
- › The launch of our joint venture Digital Post Australia, which will give every Australian the opportunity to receive mail via a secure online post box
- › Acquisition of the Serviceworks Group

ASIA

Overall revenue fell by 14.5% to \$106.8 million. Management EBITDA fell by 29% to \$34.3 million. Asia highlights included:

- › 38% increase in revenue for Plan Managers business
- › The launch of a new Trust business to support a one-stop solution for employee share plan management
- › Tripling the number of shareholder identification service clients
- › A continued increase in recurring registry revenue in both Hong Kong and India

UNITED KINGDOM, CHANNEL ISLANDS, IRELAND AND AFRICA (UCIA)

UCIA revenue grew 1.2% to \$293.4 million and management EBITDA dropped by 10.5% to \$104.1 million. UCIA highlights included:

- › The successful consolidation of our Plan Managers business in the UK and Offshore, with more than 90% of clients now migrated to our SCRIP system and no client losses
- › The Deposit Protection Service, now in its fifth year, experiencing steady growth in the number of tenancies registered, and completing its millionth deposit repayment in February 2012
- › Being voted 'Number 1 Registrar' for the fifth year running in Capital Analytics' FY2012 survey

CONTINENTAL EUROPE

Revenue grew 19.2% to \$113.4 million and management EBITDA increased by 7.7% to \$15.0 million. Continental Europe highlights included:

- › Our client base growing by 200
- › VEM Aktienbank AG continuing to be a market leader in rights issues and admissions
- › Servizio Titoli now being integrated with Computershare and performing well, with the business achieving record revenue and profitability

USA

Revenue for the region grew 28.2% to \$654.4 million and management EBITDA increased by 0.2% to \$125.0 million. USA highlights included:

- › The successful completion of the acquisition of our largest US competitor - the Shareowner Services business of the Bank of New York Mellon Corporation
- › The acquisition of Specialized Loan Servicing, LLC (SLS), a primary and special fee-based servicer of residential mortgage loans, which complements our core communication and financial transaction processing infrastructure

CANADA

Revenue grew marginally by 1.9% to \$208.5 million and management EBITDA increased by 1.8% to \$95.6 million. Canada highlights included:

- Investor Services successfully retaining key clients on long-term mandates and once again being engaged in the majority of Canada's significant corporate actions
- Acting as paying agent for the National Housing Act Mortgage-Backed Securities and Canada Mortgage Bond programs, managing the distribution of guaranteed payments to investors in excess of CAD 33 billion
- Plan Managers continuing to absorb large increases in activity while also driving cost base reductions through ongoing process improvements and technology enhancements

Global Perspective



Computershare is represented in all major financial markets and has over 12,000 employees worldwide.

Investment Analysis

Capital expenditure for FY2012 was up 92.9% on FY2011 to \$62.1 million; recent acquisitions and associated integration activities affected expenditure.

We continued our strategy of consolidating businesses around the world and pursuing diversified revenue sources. Acquisitions included:

- › 100% of the Serviceworks Group, comprising three businesses – Serviceworks Management (a provider of solutions to the Australian utilities sector), ConnectNow (a provider of specialist home moving utility connection services across Australia) and Switchwise (a provider of electricity and gas supplier comparisons for Australian consumers). Serviceworks Management and ConnectNow were acquired on 31 August 2011 and Switchwise was acquired on 1 February 2012.
- › 100% of Specialized Loan Servicing LLC – a provider of primary and special fee-based services of residential mortgage loans based in Colorado, USA. Acquired 30 November 2011.
- › 100% of Mellon Investor Holdings LLC (renamed Computershare Shareowner Services LLC) – the shareowner services business of The Bank of New York Mellon Corporation and a leading provider of transfer agency and employee equity plan services to publicly listed US companies. Acquired 31 December 2011.

Technology Priorities

Computershare's total technology spend for FY2012 increased by 32.8% to \$212.5 million, while the ratio of technology expenditure to sales revenue increased to 11.7%. The total technology spend included an expensed amount of \$57.7 million investment in R&D, compared to \$55.4 million in FY2011.

Our technology teams' major focus has been preparing to integrate Computershare Shareowner Services. As is typical with such projects, this integration has required an investment in infrastructure to handle the enlarged business, in addition to the creation of a number of development streams as we prepare to move records to Computershare platforms. Our technology teams have a great depth of knowledge in this area and a number of experienced senior staff have relocated to the US for the duration of the project. Running the same platforms for all our major business lines allows us to call on resources from all over the world. A significant amount of the expected synergies will be realised by our Technology Group.

Elsewhere, Computershare continued to invest in new and enhanced operational platforms, helping to reduce costs and increase the efficiency of our workforce.

Global Capital Markets Overview

In FY2012 business demand for innovative cross-border solutions continued to grow and transaction processing volumes held up, despite subdued trading conditions for many market participants. In line with demand, the Global Capital Markets Group's (GCM) operational footprint expanded to increase capabilities. Global Capital Markets Group highlights included:

- › Our US, UK and German-based businesses' efficient delivery of a cross-border solution for Johnson & Johnson's complex USD 21 billion acquisition of Swiss-listed Synthes Inc.
- › Successfully processing more than 39,000 cross-border transactions around the world
- › Developing a 'first of its kind' solution to enable certain UK public companies to list their shares directly on US equity markets

Corporate Responsibility

Computershare is committed to conducting business in ways that produce social, environmental and economic benefits for communities around the world.

OUR APPROACH

Computershare understands the importance of responsible citizenship, governance and transparency. We have a long history of active engagement with our workforce, communities and marketplace. We are committed to a transparent, accountable approach to business and to recognising the legitimate interests of all stakeholders.

Sustainability is a key focus across Computershare and we actively work towards managing and reducing our long-term impact on the environment. In addition, Computershare continues to develop a range of services that assist clients to achieve their own sustainability objectives.

ACHIEVEMENTS

In an industry that traditionally relies on paper, we are striving to reduce our usage. In FY2012 we introduced the PaperLESS Challenge - a global competition between Computershare offices to reduce paper usage. Our employees shared ideas on how to do this via message boards and print statistics were collected each month.

Globally, we reduced paper usage by 2.7 million printed pages during the six month challenge - a 10% reduction, which is equivalent to saving more than 300 trees. This achievement was the direct result of a company-wide change in behaviour and the implementation of our PaperLESS Challenge ideas.

The reduction in paper usage has continued since the end of the challenge. In our North American offices, the total number of printed pages was reduced by 750,000 for March 2012 (compared to the same period in 2011). This 30% reduction equates to a stack of paper the height of a 25-storey building. In the UK, print output has reduced year on year by over 655,000 pages following the introduction of environmentally friendly swipe-activated printers.

Whenever we refurbish an office anywhere around the globe we take the opportunity to make our work spaces more sustainable. For example, we installed a more efficient air conditioning system in Bristol, which has saved an average of 40,000 kWh per month; and introduced built-in recycling bins in Hong Kong, which have reduced unnecessary waste.

We have systemised the recording and measurement of our impact on the environment across our offices globally, as well as capturing historical data. We use this information to track our performance.



Staff Engagement

We undertook many staff engagement initiatives in FY2012, including quarterly Green Days and seasonal activities, such as an Advent Calendar containing environmental tips. A highlight was the introduction of a sustainability course for employees, which encourages the adoption of economically and environmentally friendly practices in the workplace. Currently available in English and French, the course focuses on everyday scenarios to help and motivate employees to make green decisions in relation to a range of issues, including:

- > Printing habits
- > Energy consumption
- > Water usage
- > Purchases that include plastic components
- > Commuting and transportation

Hundreds of staff have completed the course and we are planning to translate it into other languages to make it accessible to more of our employees. The course is compulsory for all new starters who speak English or French.

Green IT

Supporting Computershare's overall sustainability goals, Computershare Technology Services strives to maintain a balance between providing outstanding service to our ever expanding business units and stabilising or reducing power consumption requirements.

Power reduction has been a priority for the team working on our global storage solutions. Projects to archive our massive volumes of inactive data more efficiently have reduced power consumption for our storage hardware. Our Canton data centre in the US continues to excel in power saving initiatives including the installation of under-floor air movers to assist the efficient segregation of cold air from hot air within the data centre. This has considerably reduced our cooling requirements and overall power requirements. Energy and hardware savings have also been achieved via our ongoing global server virtualisation project. So far, over 80% of servers have been moved from physical to virtual environments.

As well as saving paper, our UCIA region's printer refresh and reduction project is already delivering significant power savings.

In addition to these new projects, we continued to implement many other sustainability initiatives including our e-Waste landfill diversion program, desktop power management, LCD monitor replacements and printer rationalisations.

Change a Life

Computershare's Change a Life initiative has continued to fund projects that address poverty and empower communities to effect change around the world. Computershare matches all employee payroll contributions to Change a Life globally and has invited its securityholders to donate their dividends to the cause. To date, the foundation has distributed more than AUD 6 million.

Change a Life currently supports the Sunrise Children's Village orphanage project in Cambodia and three World Vision community learning centres in Kenya. Construction of Computershare's Sunrise 3 Village, located near Sihanoukville on the coast of Cambodia, was completed in July 2012 and a number of children moved in immediately. Local children will be taught English in the new centre's classroom and the local community will be engaged in the project to foster stronger relationships for many years to come.

In November 2011, 30 Computershare employees undertook an eight-day, 450km bike ride across Cambodia. They survived extreme humidity and encounters with rabid monkeys to raise AUD 160,000 to fund the specialist medical clinic that serves the children with HIV/AIDS living in Sunrise 3.

A regular fixture in the South African charity fundraising calendar, Computershare's fourth annual Change a Life bike ride saw 72 business leaders and employees cycle over 500km across Namibia, raising a remarkable AUD 1.5 million.

To find out more about Change a Life, please visit www.changealife.com.au

eTree®

The past year has seen almost 30,000 new registrations for electronic communications through our global eTree programme. Overall donations surpassed AUD 2.5 million during the year and nearly 4.8 million trees have now been planted as a result, including over 17,000 in Thomson Creek, Victoria, Australia, which will help to preserve 17 hectares of local fauna and flora.

Products and Services

Our UCIA region introduced a Sustainable Registry Management package for their clients, designed to complement the issuers' Corporate Social Responsibility practices. This suite of electronic documents and websites provides direct cost savings for issuers and delivers a better customer experience.

Our US business is working towards the implementation of Zumbox, a digital electronic mailbox service designed to eliminate physical documents and to make it easier to reduce paper usage in the billing chain, while our joint venture, Digital Post Australia, has announced the planned introduction of the same technology to the Australian market.



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The Annual Report and
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www.computershare.com