

COMPUTERSHARE LIMITED

2019 FULL YEAR RESULTS PRESENTATION

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FY19 Executive summary

Delivering strong results through sound execution

		Management results ¹			
Revenue		EBITDA		EPS	
\$2,411.4m	4.8%	\$685.9m	10.2%	71.46 cents	12.8%
Statutory EPS		Return on Equity ³		Dividend per share	
Actual		Actual		Final	
76.57 cents ²	38.8%	26.4%	30bps	AU 23 cents	9.5%

FY19 Management EPS increased by (+12.8%) with improved performances from all major business lines; margin income gains and a reduced tax rate

¹ Management results are expressed in constant currency throughout this presentation unless otherwise stated. Constant currency equals FY19 results translated to USD at FY18 average exchange rates. All figures in this presentation are presented in USD millions, unless otherwise stated

² Reconciliation of statutory to management results can be found on slide 24

³ Return on Equity impacted by the addition of profit on disposal of Karvy (\$106.4m) increasing total equity and excluded from Management NPAT. Adjusting total equity for profit on disposal increases ROE to 28.4%, up 170bps

Executing strategic priorities continues to deliver strong returns



Growth

- > Computershare continues to lay the foundations for sustained growth with disciplined investments in growth engines and selective complementary acquisitions
- > Employee Share Plans performing well. Strong initial contribution from Equatex assisted 2H performance. Platform and broader integration program progressing well. Significant upgrade to technologies, capabilities and scale. Synergy benefits on track
- > Ongoing growth in US Mortgage Services. Improved 2H performance with UPB of \$101.8bn, up 25.7% with scope for long term growth
- > New Issuer Services global business unit building traction in additional large complementary markets, with ongoing revenue growth in Register Maintenance



Profitability

- > Strong one off event based revenue, increased the FY18 base, pleasing profit performance in FY19
- > Group EBITDA margin continues to rise to 28.4% (up 130bps)
- > Strong Margin income contribution at \$250.7m, up 39.7%, with \$18.5bn average client balances
- > Register Maintenance and Corporate Actions EBITDA margin continues to climb, 35.8%, +250bps despite weaker Corporate Actions activity
- > Excellent performance in Register Maintenance continues. 5.3% organic revenue growth in US with solid margin expansion
- > Cost out programs progressing well
- > Restructuring underway in UK Mortgage Services to improve profitability. Final migration of 3rd party loans on track for FY20, as per Investor Day
- > Lower effective tax rate of 26.5% - with 1H favourable settlement of legacy issue



Capital Management

- > Balance sheet remains strong post funding Equatex acquisitions and organic growth initiatives
- > Net debt to EBITDA leverage ratio remains conservative at 1.84x, below mid point of target range
- > Investments in Equatex \$419.7m, US Mortgage Services: LenderLive \$31.8m and MSRs \$100.4m and CAPEX \$55.6m including \$18.3m on US data centre
- > Karvy disposal completed in 1H - \$75.7m post tax proceeds
- > ROE 26.4%, down 30bps. Excluding Karvy, up 170bps at 28.4%. ROIC at 14.8%, down 340bps, reflecting increased investment in US Mortgage Services and Karvy proceeds
- > New on market share buy-back announced AU\$200m consistent with capital management strategy
- > AU 23 cents final dividend, +9.5%

FY19 key priorities – execution scorecard

Disciplined execution drives growth and profitability

1. INVEST IN THE FUTURE OF OUR PLANS BUSINESS	PROGRESS	RESULT
	Equatex acquired, technology integration underway, customer service enhanced	
2. EXECUTE OUR MORTGAGE SERVICES STRATEGIC PLANS	PROGRESS	RESULT
	Develop a new 5 year plan for the combined global business with ongoing growth in the US Migrate UK 3rd party loans to CPU's platform	 
3. RETURN ISSUER SERVICES TO ORGANIC GROWTH	PROGRESS	RESULT
	Drive organic growth through new services to clients and shareholders with a seamless approach to front office and new product development	
4. TRANSITION TO GLOBAL BUSINESS LINES	PROGRESS	RESULT
	Shift from regional structure to improve customer focus and strategic planning for new growth opportunities	
5. EXPAND OUR GLOBAL SERVICE MODEL STRATEGY	PROGRESS	RESULT
	Optimise Shared Services to drive efficiencies and best practice. Build capabilities in optimum locations	
6. PROGRESS OUR STAGE, 1,2 & 3 EFFICIENCY INITIATIVES	PROGRESS	RESULT
	Drive digitisation and leverage data to improve operational processes and enhanced customer services	

FY20 outlook



FY20 Guidance

- › In constant currency, for FY20 we expect:
 - Management EPS to be down by around 5.0%
 - Excluding UK Mortgage Services (delayed migration of UK loans to CPU platform as previously announced) and the adoption of IFRS16 accounting for leases, we expect Management EPS would increase by around 5.0%



Assumptions

- › We expect margin income revenue to be similar to FY19 (\$246.5m base for comparative purposes)
- › Equity markets remain at current levels and interest rate markets remain in line with current market expectations
- › Consistent with Investor Day, we expect the delayed migration of UK loans to have an isolated impact to Management EBITDA of \$35m
- › Group tax rate to be (~27.0%) in FY20 compared to FY19 (26.5%)
- › The weighted average number of ordinary shares on issue to be the same as FY19 i.e. no benefits from the share buy-back included
- › For constant currency comparisons, FY19 average exchange rates are used to translate the FY20 earnings to USD (refer to slide 59)
- › For comparative purposes, the base FY19 Management EPS is 70.24 cents

Growth: Employee Share Plans

Equatex performing well and integration program on track

	FY19 @ CC	FY18 Actual	CC Variance
Fee revenue	\$133.7	\$107.3	+24.6%
Transactional revenue	\$123.9	\$86.0	+44.1%
Margin income	\$16.2	\$16.7	-3.0%
Other revenue	\$22.1	\$18.4	+20.1%
Total Employee Share Plans revenue	\$295.9	\$228.4	+29.6%

Employee Share Plans EBITDA	\$70.8	\$53.8	+31.6%
EBITDA margin %	23.9%	23.5%	+40bps
EBITDA ex margin income	\$54.6	\$37.0	+47.6%
EBITDA margin ex margin income %	19.5%	17.5%	+200bps

- > Strong revenue growth +29.6% and EBITDA growth accelerates, up 31.6% - Equatex enhances scale, capabilities and financial performance
- > EBITDA margin excluding margin income, up 200bps to 19.5% supported by efficiency gains
- > Equatex outperforming initial expectations with stronger than anticipated transactional revenues. Beginning to leverage market leadership across Europe and UK. \$68.9m revenue, \$17.2m EBITDA contribution in FY19 (acquired in November 2018)
- > Equatex integration underway with good progress in adopting platform across combined European business
- > Growth in client base with new client wins recognising technical expertise
- > Significant uplift in client satisfaction rating (NPS) with numerous clients who utilise our offering being recognised with industry awards

Growth: Mortgage Services

Strong 2H performance in the US with scope for sustained growth

	FY19 @ CC	FY18 Actual	CC Variance
US Mortgage Services revenue	\$361.2	\$306.1	+18.0%
UK Mortgage Services revenue	\$263.4	\$254.1	+3.7%
Total Mortgage Services revenue	\$624.6	\$560.2	+11.5%
Total Mortgage Services EBITDA	\$136.5	\$124.5	+9.6%

US

- > Strong recovery in 2H performance with good loan growth and cost savings. Record Q4 performance with PBT margins achieving target levels of 20% towards the end of the year
- > UPB up 25.7% to \$101.8bn, carefully building additional scale with scope to grow to circa. \$150bn
- > Business approaching planned optimum revenue mix. Subservicing and part-owned MSR's make up just under half of the total and high margin ancillary revenues contribute 31% of sales
- > Strong increase in capital light sub servicing UPB, +34.9% with an excess strip deal completed in 2H recycling capital for growth
- > MSR investments of \$100.4m in FY19, total capital employed of \$502.2m. Next stage of growth expected to be less capital intensive

UK

- > Delivered positive revenue growth, +3.7% despite runoff of UKAR closed book. FY19 revenue includes full fixed fee contribution, expected to decline by around \$40m in FY20
- > Restructuring underway given reduction in fixed fee from FY19 onwards, Brexit impacted challenger bank loan originations and the delay in migrating 3rd party loans to CPU platform (as announced at Investor Day on 21 May 2019)
- > Additional \$50m of cost savings to be delivered over 3 years with 90% to be achieved in first two years
- > Improving profitability from FY21 onwards (as announced at Investor Day)
- > Streamlined, more competitive business, will be well placed as normal market conditions are restored over time

Profitability: Register Maintenance and Corporate Actions

Continuing growth and margin expansion in our largest business

	FY19 @ CC	FY18 Actual	CC Variance
Register Maintenance revenue	\$727.1	\$710.3	+2.4%
Corporate Actions revenue	\$167.5	\$160.6	+4.3%
Total Register Maintenance & Corporate Actions revenue	\$894.6	\$870.9	+2.7%
Register Maintenance & Corporate Actions EBITDA	\$319.9	\$290.4	+10.2%
EBITDA margin %	35.8%	33.3%	+250bps
EBITDA ex margin income	\$202.2	\$207.9	-2.7%
EBITDA margin ex margin income %	26.0%	26.4%	-40bps

- > Strong performance with revenues +2.7%, EBITDA +10.2% and ongoing margin expansion to 35.8% enhanced by margin income
- > US Register Maintenance revenues increased by 5.3% with net client wins and ongoing efficiency improvements. New leadership and business aligned management structure blending experience with new talent, revitalising performance
- > Improved customer service levels and investments in product development leading to consistently high net promoter scores (NPS: 50-70 across regions)
- > Corporate Actions activity was subdued in 2H as expected. Increasing market recognition for CPU's expertise in complex cross border transactions, driving high profile client wins
- > Issuer Services – new strategies gaining traction in large complementary revenue pools. Leveraging core skills and strong client relationships in private markets, governance and corporate secretarial services and registered agent, all benefitting from structural growth trends

Profitability: Structural cost out programs tracking to plan

Stages 1, 2 and 3 total gross savings of \$80.1m achieved to date

Activity	Total cost savings estimates \$m	Benefit realisation (cumulative)						
		FY17A	FY18A	FY19A	FY20E	FY21E	FY22E	FY23E
Stage 1 Total	25 - 30	7.8	14.0	21.8	27.6	28.0	28.0	28.0
Stage 2 Total	60 - 70	5.9	35.4	54.1	63.0	66.6	66.6	66.6
Stage 3 Total	40 - 55			4.3	14.3	25.0	38.1	45.4
Total cost savings estimate for Stages 1 - 3	125 - 155	13.7	49.4	80.1	104.9	119.6	132.7	140.0

- › FY19 incremental gross savings of \$30.7m – ahead of plan by \$5m versus initial FY19 expectations with accelerated benefits in optimisation of shared services and management structure
- › Further gross savings of \$60m to be achieved over the next 4 years
- › In addition, Equatex synergies (\$30m of total savings as previously announced to be achieved over 36 months following completion) and UK Mortgage Services additional cost savings of \$50m, to be delivered over 3 years with 90% to be achieved in first two years

Capital management

Strategies support growth investments and shareholder distributions



Consistently high returns

ROE 26.4%, ROIC 14.8%



Conservative balance sheet

1.84x - below mid point of range

4.0 year average debt duration,
\$550m USPP completed on improved terms

BBB/Baa2 ratings



Growth investments

Equatex \$419.7m

LenderLive \$31.8m

MSR's \$100.4m



Recycling capital

Karvy sold, \$75.7m post tax proceeds



Share Buy-back

AUD \$200m announced today



Increased Dividend

Final 23 cps, +9.5%

Franked @ 30%

FY19 Management results summary

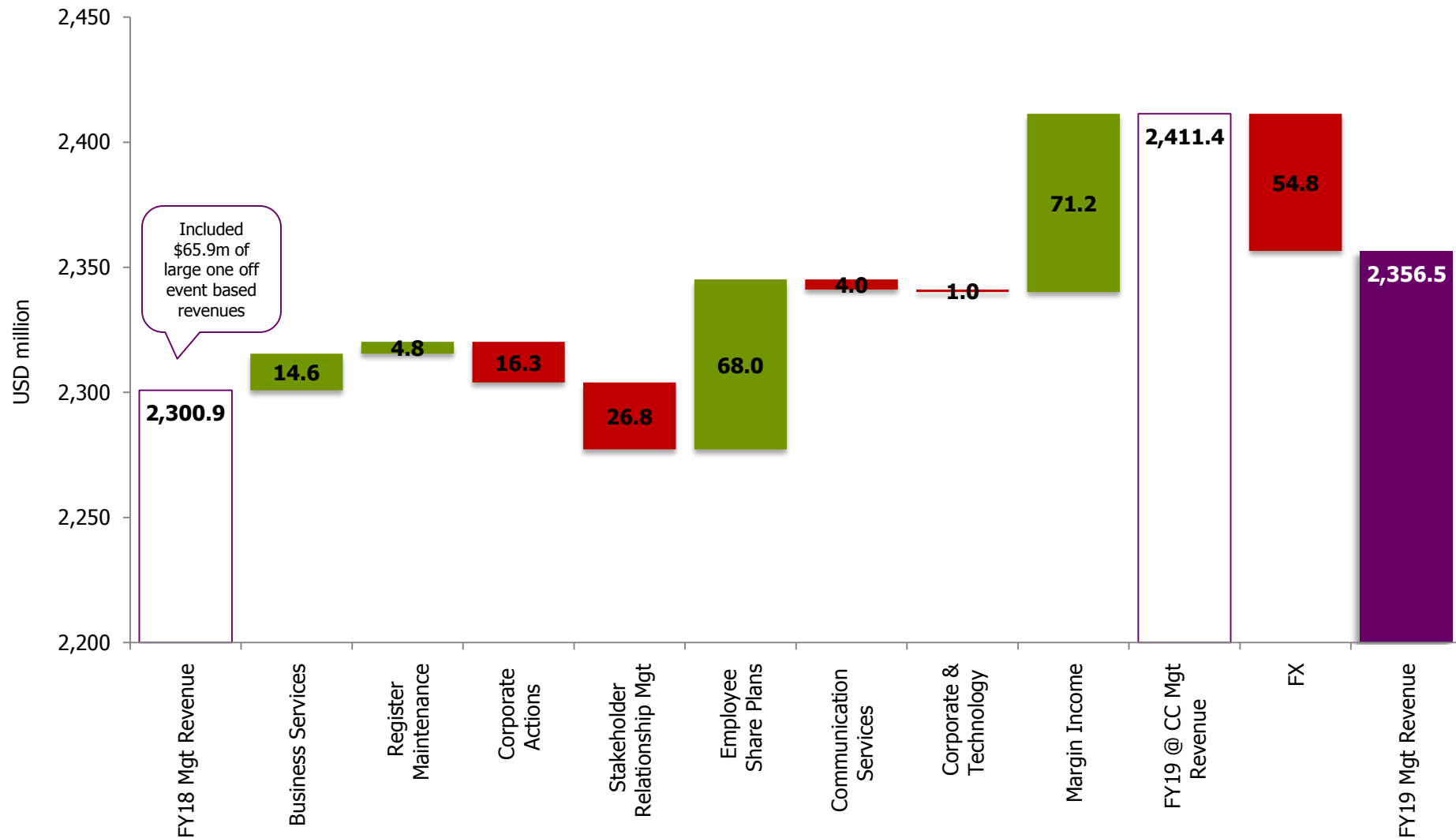
Strong performance across all major business lines with margin income enhancing earnings

	FY19 @ CC	FY18 Actual	CC Variance	FY19 Actual
Total Revenue	\$2,411.4	\$2,300.9	+4.8%	\$2,356.5
<i>Margin income</i>	<i>\$250.7</i>	<i>\$179.5</i>	<i>+39.7%</i>	<i>\$246.5</i>
Operating Costs	\$1,724.4	\$1,678.5	+2.7%	\$1,680.6
EBITDA	\$685.9	\$622.6	+10.2%	\$674.9
EBITDA Margin %	28.4%	27.1%	+130bps	28.6%
Depreciation	\$38.4	\$32.9	+16.7%	\$37.5
Amortisation	\$47.4	\$35.2	+34.7%	\$47.3
EBIT	\$600.2	\$554.6	+8.2%	\$590.1
Interest Expense	\$67.9	\$62.1	+9.3%	\$66.7
Profit Before Tax	\$532.2	\$492.5	+8.1%	\$523.4
Income Tax Expense	\$141.0	\$139.6	+1.0%	\$138.8
NPAT	\$388.0	\$344.7	+12.6%	\$381.4
Management EPS (cents)	71.46	63.38	+12.8%	70.24

	FY19 Actual	FY18 Actual	Variance
Net operating cash flow ¹	\$411.6	\$453.0	-9.1%
Free cash flow ¹	\$312.9	\$379.2	-17.5%
Net debt to EBITDA ratio ¹	1.84 times	1.33 times	+0.51 times

Management revenue bridge

Strong contributions from US Mortgage Services, Employee Share Plans and margin income



Management revenue by business stream

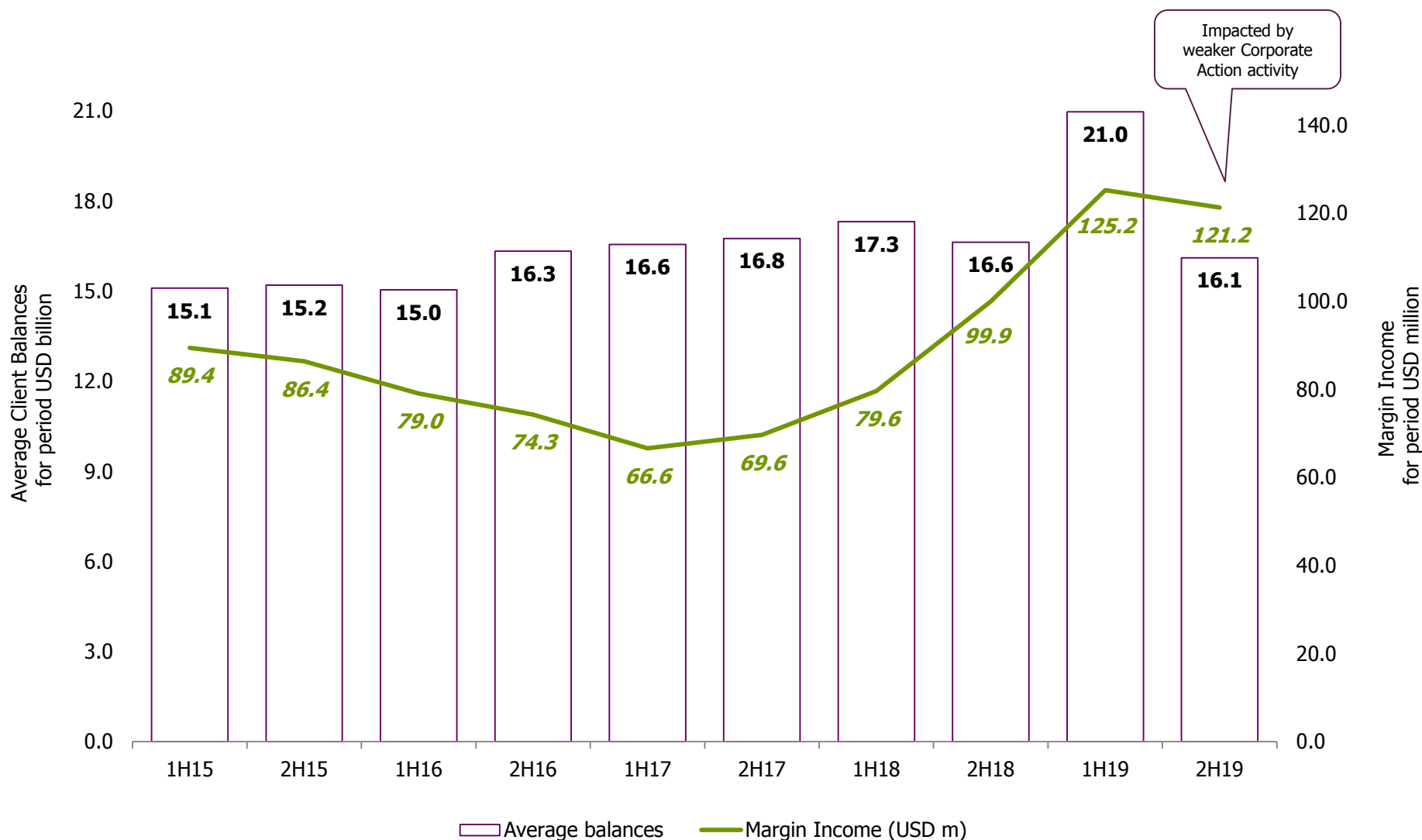
All major business lines performing well

Business stream	FY19 @ CC	FY18 Actual	CC Variance	FY19 Actual
Business Services	\$945.6	\$894.4	+5.7%	\$927.4
Register Maintenance	\$727.1	\$710.3	+2.4%	\$711.2
Corporate Actions	\$167.5	\$160.6	+4.3%	\$164.3
Employee Share Plans	\$295.9	\$228.4	+29.6%	\$288.5
Communication Services	\$177.6	\$181.6	-2.2%	\$168.9
Stakeholder Relationship Mgt	\$68.0	\$94.8	-28.3%	\$67.3
Corporate & Technology	\$29.7	\$30.7	-3.3%	\$28.9
Total Management Revenue	\$2,411.4	\$2,300.9	+4.8%	\$2,356.5

- > Group revenues increase by 4.8%. Reflects strategic growth in US Mortgage Services, margin income gains and Equatex contribution. As expected, large event based activities in FY18 impact Stakeholder Relationship Management, Corporate Actions and Class Actions performance versus pcp – \$65.9m
- > Margin income increased by \$71.2m to \$250.7m with increases across Business Services \$36.5m, Corporate Actions \$23.2m and Register Maintenance \$12.0m
- > Employee Share Plans +\$67.5m, includes contribution from Equatex
- > Business Services revenue growth of 5.7% includes Mortgage Services' revenue +11.5% and a consistently strong performance in high margin, capital light Corporate Trust. Karvy disposal completed in 1H19, contributing \$17.9m in FY19
- > Register Maintenance revenue +\$16.8m with \$12.0m from margin income. Growth in US, UK and HK
- > Corporate Actions +\$6.9m (-\$16.3m excluding Margin Income)

Margin income

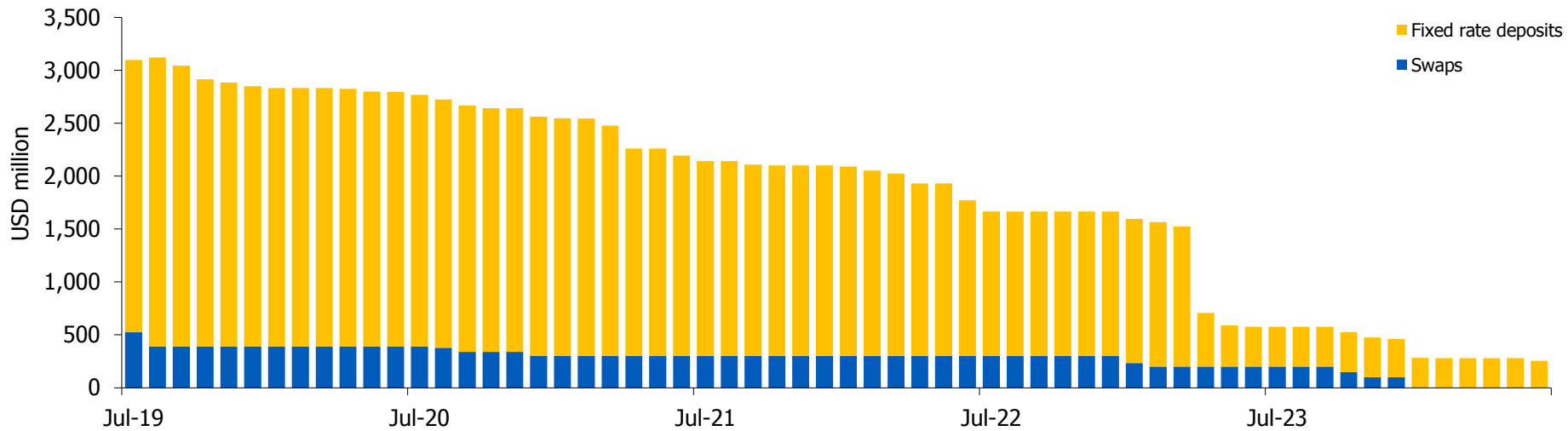
Margin income increased to \$246.5m, +37.3% with \$18.5bn average balances



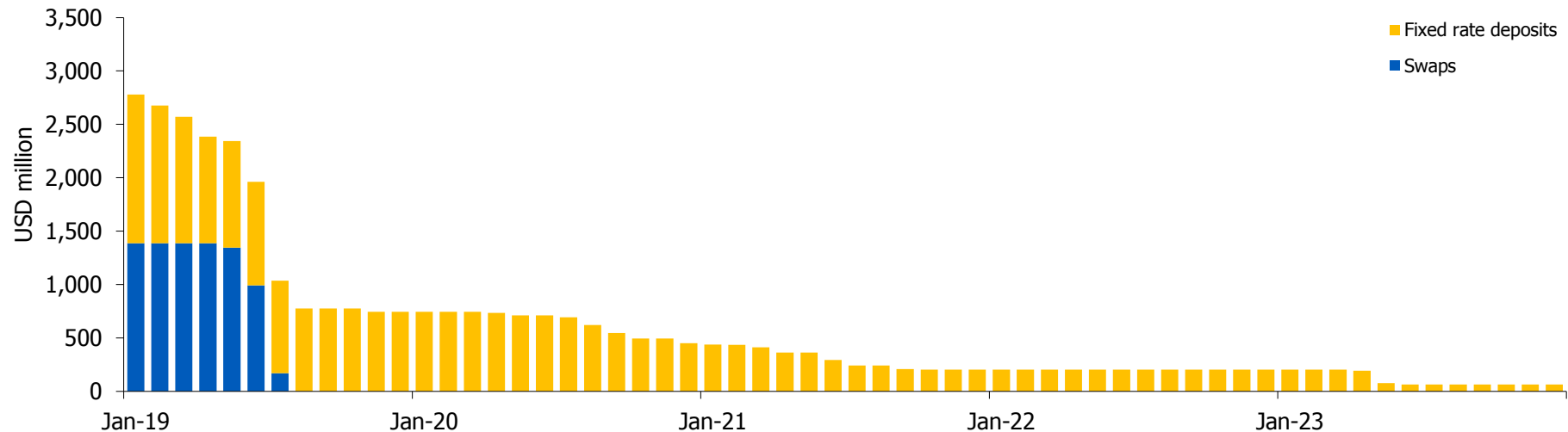
Note: Margin income and balances translated at actual FX rates for the period

Profile of fixed rate deposits and swaps

As at 30 June 2019



As at 31 December 2018



EBITDA and margins by business stream

Solid growth in EBITDA, +10.2% with ongoing margin expansion to 28.4%, up 130bps

Business Stream	FY19 @ CC	FY18 Actual	CC Variance	FY19 EBITDA Margin in CC %	FY18 Actual EBITDA Margin %
Business Services	\$255.0	\$240.1	+6.2%	27.0%	26.8%
Register Maintenance & Corporate Actions	\$319.9	\$290.4	+10.2%	35.8%	33.3%
Employee Share Plans	\$70.8	\$53.8	+31.6%	23.9%	23.5%
Communication Services	\$41.4	\$39.2	+5.6%	23.3%	21.6%
Stakeholder Relationship Mgt	\$10.8	\$22.6	-52.2%	15.9%	23.8%
Corporate & Technology	(\$12.0)	(\$23.5)	n/a	n/a	n/a
Total Management EBITDA	\$685.9	\$622.6	+10.2%	28.4%	27.1%
Total Management EBITDA ex MI	\$435.2	\$443.1	-1.8%	20.1%	20.9%

- > Revenue growth and benefits from structural cost out programs drive \$63.3m EBITDA increase to \$685.9m
- > Consistent EBITDA margin performance at 28.4%, towards top end of range over last 10 reporting periods: 24.1% to 29.4%.
- > Solid increases in EBITDA for Business Services +6.2%, Register Maintenance and Corporate Actions +10.2% and Employee Share Plans +31.6%
- > Pleasing EBITDA ex margin income performance given FY18 results included \$65.9m of large one off event based revenues, inflating the base for FY19 comparisons
- > Margin income makes a significant contribution with high incremental margin - increases by \$71.2m to \$250.7m.
- > Corporate Actions revenue excluding margin income is \$93.2m, down \$16.3m reflecting weaker market conditions as anticipated. Register Maintenance & Corporate Actions margins rise to 35.8%, led by efficiency gains and margin income
- > EBITDA Contribution: Equatex \$17.2m, Karvy \$9.3m prior to disposal

EBITDA and margin income by business stream

EBITDA \$685.9m, with margin income increasing by 39.7%

Business Stream	FY19 EBITDA @ CC	FY19 MI @ CC	FY19 EBITDA ex MI @ CC	FY18 EBITDA	FY18 MI	FY18 EBITDA ex MI	CC Variance
Business Services	\$255.0	\$116.8	\$138.2	\$240.1	\$80.3	\$159.9	-13.6%
Register Maintenance & Corporate Actions	\$319.9	\$117.7	\$202.2	\$290.4	\$82.5	\$207.9	-2.7%
Employee Share Plans	\$70.8	\$16.2	\$54.6	\$53.8	\$16.7	\$37.0	47.6%
Communication Services	\$41.4	\$0.0	\$41.4	\$39.2	\$0.0	\$39.2	5.6%
Stakeholder Relationship Mgt	\$10.8	\$0.0	\$10.8	\$22.6	\$0.0	\$22.6	-52.2%
Corporate & Technology	(\$12.0)	\$0.0	(\$12.0)	(\$23.5)	\$0.0	(\$23.5)	n/a
Total Group	\$685.9	\$250.7	\$435.2	\$622.6	\$179.5	\$443.1	-1.8%

- > Margin income increased to \$250.7m, +\$71.2m (\$179.5m pc). Improved average annualised yield of 1.74% on exposed balances
- > Higher average balances, \$18.5bn (\$17.0bn pc). 2H balances normalised to \$16.1bn as expected
- > Average exposed client balances* increased to \$12.1bn (\$11.4bn pc)
- > New policy framework for managing interest rate exposures with minimum hedging levels increased to 4 years. Minimum counterparty credit ratings, maximum deposit thresholds and client balances financial reporting continue to apply

Operating costs analysis

Disciplined cost controls with 2.7% opex growth

Operating costs	FY19 @ CC	FY18 Actual	CC Variance	FY19 Actual
Cost of sales	\$388.0	\$380.7	+1.9%	\$378.4
Personnel	\$1,035.4	\$992.6	+4.3%	\$1,009.5
<i>Fixed/Perm</i>	<i>\$976.0</i>	<i>\$925.8</i>	<i>+5.4%</i>	<i>\$951.7</i>
<i>Variable/Temp</i>	<i>\$59.4</i>	<i>\$66.8</i>	<i>-11.1%</i>	<i>\$57.8</i>
Occupancy	\$80.0	\$90.7	-11.8%	\$77.5
Other Direct	\$110.9	\$107.3	+3.4%	\$108.1
Computer/External technology	\$110.1	\$107.2	+2.7%	\$107.2
Total Operating Costs	\$1,724.4	\$1,678.5	+2.7%	\$1,680.6
Operating Costs/Income Ratio	71.5%	73.0%	-150bps	71.3%

- › Excluding acquisitions and disposals, total operating costs decreased 0.2%
- › Investing in growth engines: Equatex contributed \$51.7m to operating costs
- › Underlying Fixed/perm headcount costs (excluding acquisitions and disposals) increased by 1.4% demonstrating disciplined cost control
- › Occupancy costs decreased by a lower real estate footprint and relocating to Louisville

Refer to slide 45 for Technology costs at actual FX rates. Computer/External technology includes hardware, software licenses, network and voice costs, 3rd party vendor fees and data centre costs

Cash flow summary at actual fx rates

Positive free cash flows impacted by tax, interest and integration costs

	FY19 Actual	FY18 Actual
Net operating receipts and payments	\$585.2	\$595.6
Net interest and dividends	(\$68.1)	(\$55.7)
Income taxes paid	(\$105.5)	(\$86.9)
Net operating cash flows excluding SLS advances	\$411.6	\$453.0
Cash outlay on business capital expenditure	(\$55.6)	(\$39.4)
Net cash outlay on MSR purchases – Maintenance ¹	(\$43.1)	(\$34.4)
Free cash flow excluding SLS advances	\$312.9	\$379.2
SLS advance funding requirements ²	(\$27.2)	(\$14.6)
Cash flow post SLS advance funding ²	\$285.7	\$364.6
Investing cash flows		
Net cash outlay on MSR purchases – Investments ¹	(\$57.3)	(\$55.0)
Acquisitions (net of cash acquired)	(\$445.2)	(\$40.9)
Disposal of Karvy	\$75.7	-
Other	(\$17.4)	\$1.1
	(\$444.2)	(\$94.8)
Net operating and investing cash flows	(\$158.5)	\$269.8

¹ Maintenance MSR capex assumed to be equivalent to the amortisation charge for the period

² Net operating and financing cash flows

Balance sheet

Post acquisitions and growth investments, leverage ratio below mid point of target range (1.75x - 2.25x)

	Jun 19	Jun 18	Variance
Current Assets	\$1,501.1	\$1,241.9	+20.9%
Non-Current Assets	\$3,183.9	\$2,646.3	+20.3%
Total Assets	\$4,685.0	\$3,888.2	+20.5%
Current Liabilities	\$701.1	\$1,091.6	-35.8%
Non-Current Liabilities	\$2,409.8	\$1,463.2	+64.7%
Total Liabilities	\$3,110.9	\$2,554.8	+21.8%
Total Equity	\$1,574.1	\$1,333.4	+18.1%
Net debt¹	\$1,241.4	\$827.5	+50.0%
Net debt to EBITDA ratio¹	1.84 times	1.33 times	+0.51 times
ROE²	26.4%³	26.7%	-30bps
ROIC⁴	14.8%	18.2%	-340bps

¹ Excluding non-recourse SLS Advance debt

² Return on equity (ROE) = rolling 12 month Mgt NPAT/rolling 12 mth avg Total Equity

³ Impacted by the addition of profit on disposal of Karvy (\$106.4m) increasing total equity and excluded from Management NPAT.

Adjusting total equity for profit on disposal increases ROE to 28.4%, up 170bps

⁴ Return on invested capital (ROIC) = (Mgt EBITDA less depreciation & amortisation less income tax expense)/(net debt + total equity).

FY20 Execution priorities

Continuing focus on customers, technologies and efficiencies to drive growth and profitability

1 Progress the restructure of our UK Mortgage Services business

2 Continue to grow our US Mortgage Services business

3 Progress the upgrade of our share plans clients to EquatePlus

4 Continue to deliver measurable organic growth in Issuer Services - our largest business

5 Continue to transition to global business lines

6 Implement our Front Office frameworks consistently globally, expanding our capacity to grow organically

7 Expand our global service model strategy

8 Progress our efficiency initiatives

Conclusions

- › CPU continues to deliver strong results. Management EPS +12.8%, EBITDA +10.2%, EBITDA margins up to 28.4%, up 130 bps
- › Improved performances from all major business lines, margin income gains and a reduced tax rate
- › Execution progress in building Employee Share Plans, developing Issuer Services and cost out programs
- › US Mortgage Services tracking to plan - achieved target PBT margin at 20% towards year end, with scope for sustained growth. UK Mortgage Services migration delay disappointing, one off impact to FY20 profitability. Restructuring to restore profitability in FY21
- › Conservative Balance Sheet with leverage ratio below mid point of target range (1.75x-2.25x) self funds acquisitions, growth investments and increased shareholder distributions. New AU\$200m share buy-back announced today, AU 23 cents final dividend, up +9.5%
- › FY20 Management EPS is expected to be down around 5.0%, impacted by the delayed migration of UK loans to CPU platform and the adoption of IFRS16. Excluding these factors, Computershare expects to deliver ongoing profitable growth

APPENDICES

Statutory results
FY19 Management NPAT analysis
FY19 Computershare at a glance
Management EBITDA (ex MI)
Management EPS – AUD equivalent
Financial performance by half year at actual FX rates
Revenue and EBITDA by business stream at actual FX rates
Global Registry Maintenance and Employee Share Plans
Business Services revenue excluding mortgage services
Management revenue by region
Technology costs
CAPEX versus depreciation
Client balances
Debt facility maturity profile
Key financial ratios
Effective tax rate
Dividend history and franking
Mortgage Servicing
Exchange rates

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Statutory results

Statutory EPS 76.57 cents exceeds Management EPS 70.24

	FY19	FY18	Vs FY18 (pcp)
Total Revenues	\$2,469.0m	\$2,301.1m	+7.3%
Total Expenses	\$1,939.7m	\$1,911.5m	+1.5%
Statutory Net Profit (post NCI)	\$415.7m	\$300.1m	+38.5%
Earnings per share (post NCI)	76.57 cents	55.17 cents	+38.8%

> Management results are used, along with other measures, to assess operating business performance. The Company 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.

Reconciliation of Statutory Revenue to Management Results		FY19
Total Revenue per statutory results		\$2,469.0m
Management Adjustments		
Gain on Disposal of the Indian Karvy venture		-\$106.5
Marked to market adjustments – derivatives		-\$4.4
Karvy put option liability re-measurement		-\$1.7
Total Management Adjustments		-\$112.5
Total Revenue per Management Results		\$2,356.5m

> Management adjustments are made on the same basis as in prior years.

> Non-cash management adjustments include significant amortisation of identified intangible assets from businesses acquired in recent years, which will recur in subsequent years, asset disposals and other one-off charges.

> Cash adjustments are predominantly expenditure on acquisition-related and other restructures, and will cease once the relevant acquisition integrations and restructures are complete.

Reconciliation of Statutory NPAT to Management Results		FY19
Net profit after tax per statutory results		\$415.7m
Management Adjustments (after tax)		
Amortisation		\$40.1
Acquisitions and Disposals		-\$86.4
Other		\$11.9
Total Management Adjustments		-\$34.4
Net Profit after tax per Management Results		\$381.4m

> A full description of all management adjustments is included on slide 25.

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

Management adjustment items

Appendix 4E Note 3

Management adjustment items net of tax for the year ended 30 June 2019 were as follows:

Amortisation

- Customer relationships and most of other intangible assets that are recognised on business combinations or major asset acquisitions are amortised over their useful life in the statutory results but excluded from management earnings. The amortisation of these intangibles in the year ended 30 June 2019 was \$40.1 million. Amortisation of mortgage servicing rights, certain acquired software as well as intangibles purchased outside of business combinations is included as a charge against management earnings.

Acquisitions and disposals

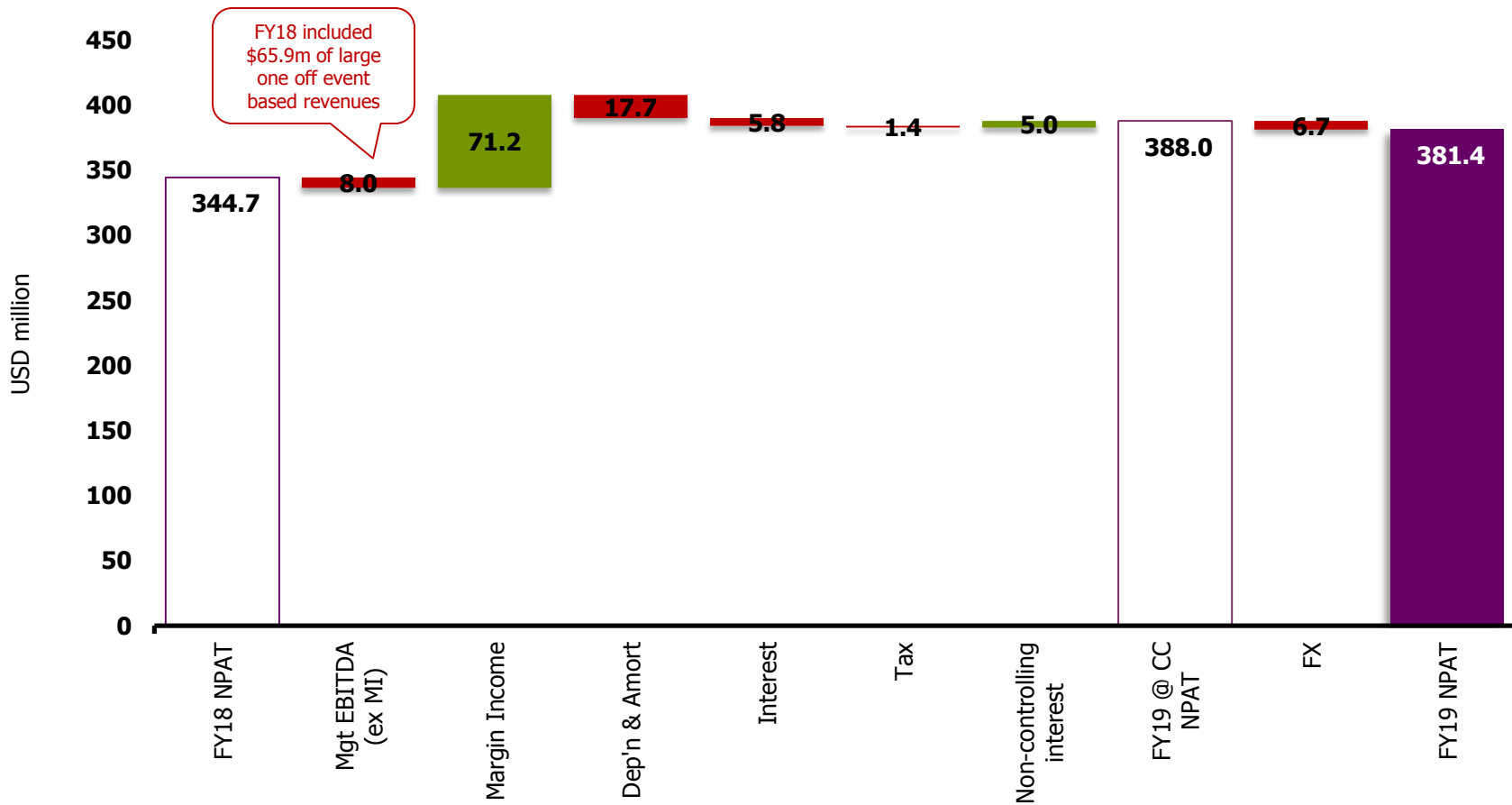
- An accounting gain of \$106.4 million was recognised on disposal of the Indian Karvy venture.
- Acquisition related expenses of \$10.9 million were incurred related to the acquisition of Equatex Group Holding AG (Equatex), including a \$6.2 million loss on derivatives used to fix the amount of borrowings needed to fund the acquisition. Additionally, acquisition related expenses of \$2.6 million were incurred related to the acquisition of LenderLive Financial Services LLC.
- Pursuant to the Australian controlled foreign company rules, a one-off tax expense of \$5.8 million has been recognised as a result of the Equatex IP restructure.
- An expense of \$0.7 million was recognised for re-measurement of contingent consideration payable to the sellers of RicePoint Administration Inc, Capital Markets Cooperative, LLC and Altavera, LLC.

Other

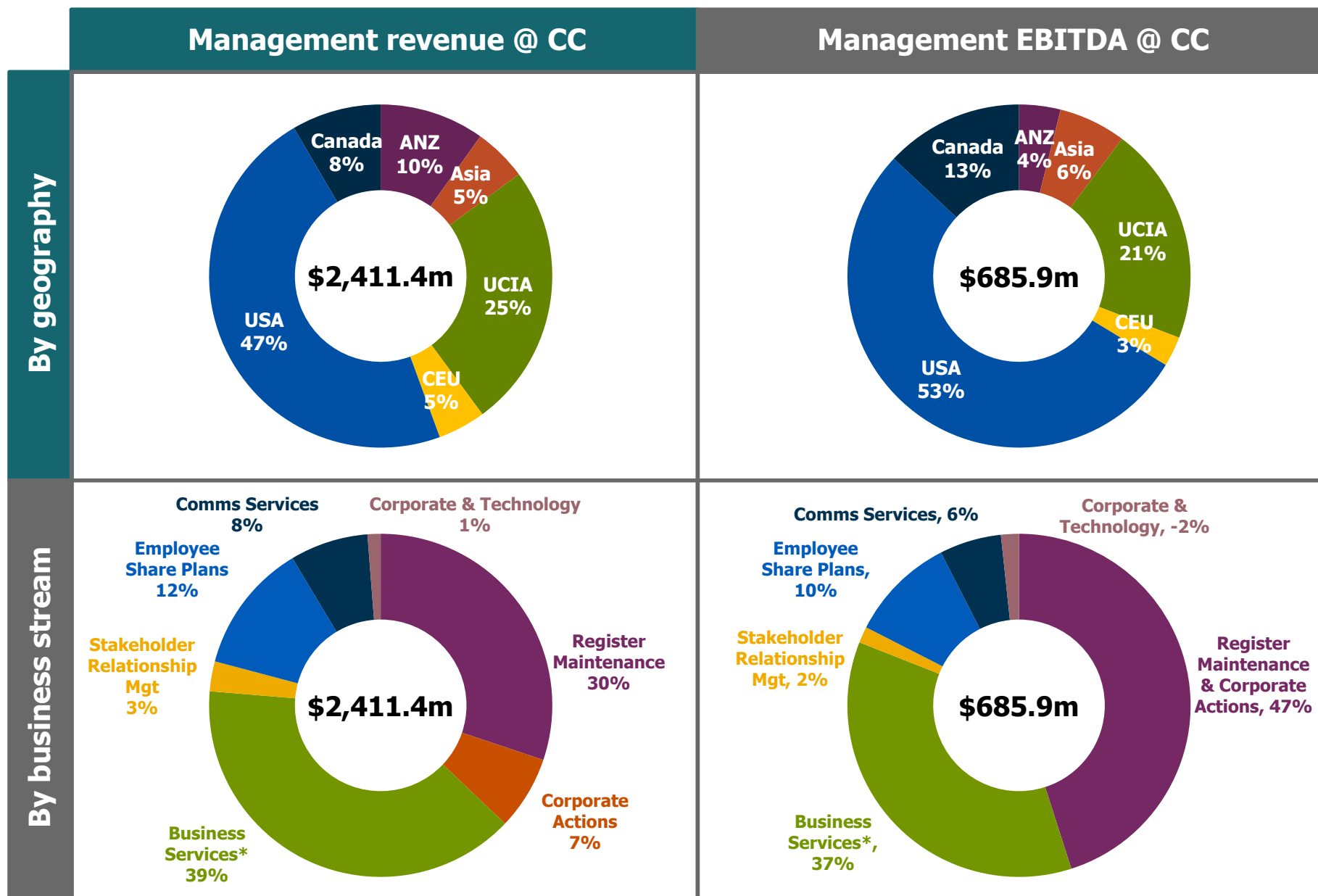
- Costs of \$14.8 million were incurred in relation to progress of the shared services and technology components of the structural cost-out programmes and the major operations rationalisation underway in Louisville, USA.
- An impairment charge of \$13.5 million was recognised due to the write-off of Computershare's investments in SETL Development Limited and CVEX Group, Inc.
- A restatement of deferred tax balances due to tax law changes in two US states resulted in a tax benefit of \$12.8 million.
- 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 marked to market valuation resulted in a gain of \$3.1 million.
- The Karvy put option liability re-measurement up to the date of disposal resulted in a gain of \$1.7 million.
- A true-up of the US tax reform impact on foreign subsidiary profits resulted in a tax expense of \$1.2 million.

FY19 Management NPAT analysis

Margin income assists NPAT growth

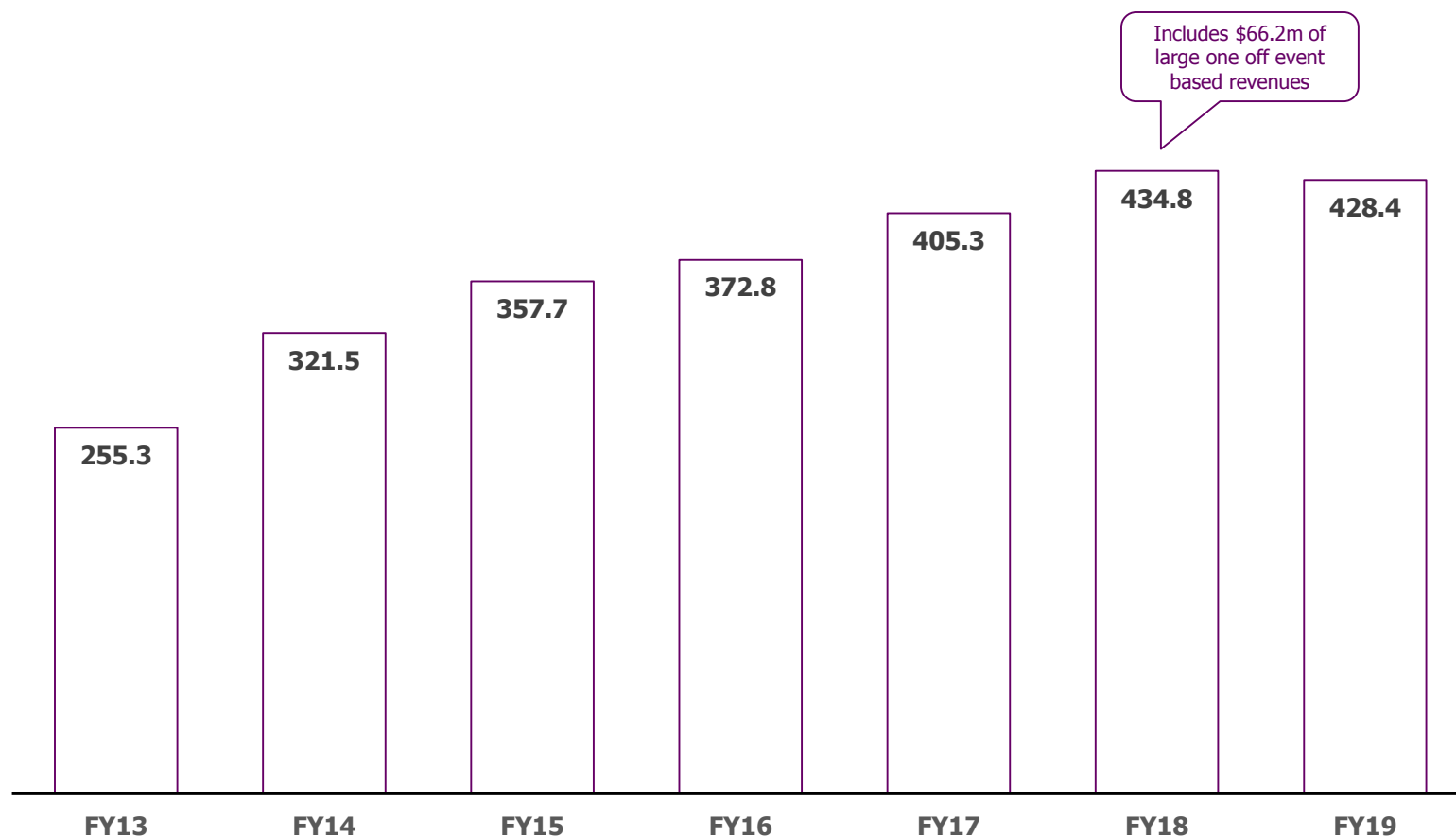


FY19 Computershare at a glance



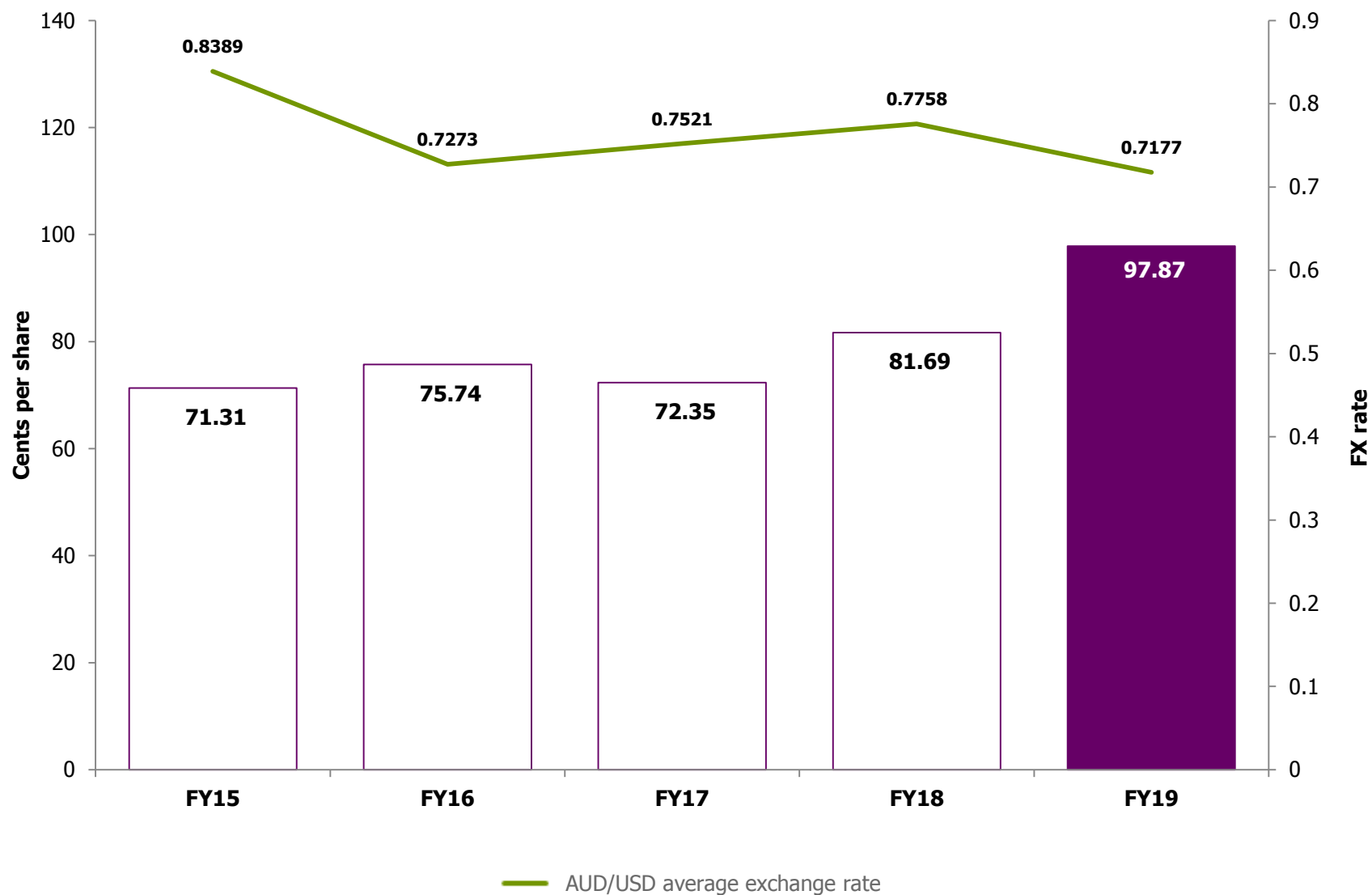
Management EBITDA excluding the impact of margin income and FX movements

6 Year CAGR 9.0%



Note: Management EBITDA translated at FY19 average exchange rates and excludes margin income

Management EPS – AUD equivalent



Financial performance by half year at actual FX rates

	2H19	1H19	2H18	1H18	2H17	1H17	2H16	1H16	2H15	1H15	2H14	1H14
Total Management Revenue	\$1,228.7	\$1,127.8	\$1,173.1	\$1,127.8	\$1,110.8	\$1,003.2	\$1,035.5	\$938.7	\$1,016.5	\$959.5	\$1,045.7	\$976.9
Operating Costs	\$885.2	\$795.4	\$843.4	\$835.2	\$811.6	\$762.3	\$744.5	\$695.7	\$720.7	\$699.0	\$771.7	\$709.2
Management EBITDA	\$343.5	\$331.4	\$329.3	\$293.4	\$299.5	\$241.3	\$290.3	\$242.3	\$294.8	\$259.3	\$273.6	\$267.0
EBITDA Margin %	28.0%	29.4%	28.1%	26.0%	27.0%	24.1%	28.0%	25.8%	29.0%	27.0%	26.2%	27.3%
Management Profit Before Tax	\$264.6	\$258.8	\$260.3	\$232.2	\$239.6	\$187.6	\$235.0	\$192.2	\$244.2	\$211.1	\$220.9	\$215.0
Management NPAT	\$191.5	\$189.9	\$177.9	\$166.8	\$156.7	\$140.6	\$159.7	\$143.8	\$172.1	\$160.6	\$171.5	\$163.6
Management EPS (US cents)	35.27	34.97	32.76	30.62	28.67	25.74	29.11	25.98	30.94	28.88	30.83	29.41
Management EPS (AU cents)	49.84	48.03	42.31	39.38	38.22	34.13	39.78	35.96	39.28	32.03	33.93	31.98
Statutory EPS (US cents)	28.80	47.77	23.74	31.43	21.28	27.48	13.33	15.22	24.82	2.79	20.13	25.07
Net operating cash flows[^]	\$235.0	\$176.6	\$253.7	\$199.3	\$247.0	\$173.3	\$214.5	\$158.5	\$247.3	\$169.4	\$221.7	\$223.7
Days Sales Outstanding	60	65	59	57	60	56	56	53	48	46	45	42
Dividend (AU cents)	23	21	21	19	19	17	17	16	16	15	15	14
Franking (%)	30%	30%	100%	0%	0%	30%	20%	100%	25%	20%	20%	20%
Net debt to EBITDA*	1.84	1.88	1.33	1.58	1.60	1.91	2.12	2.06	1.86	2.10	1.96	2.09

[^] Excluding SLS advances

* Ratio excluding non-recourse SLS Advance debt

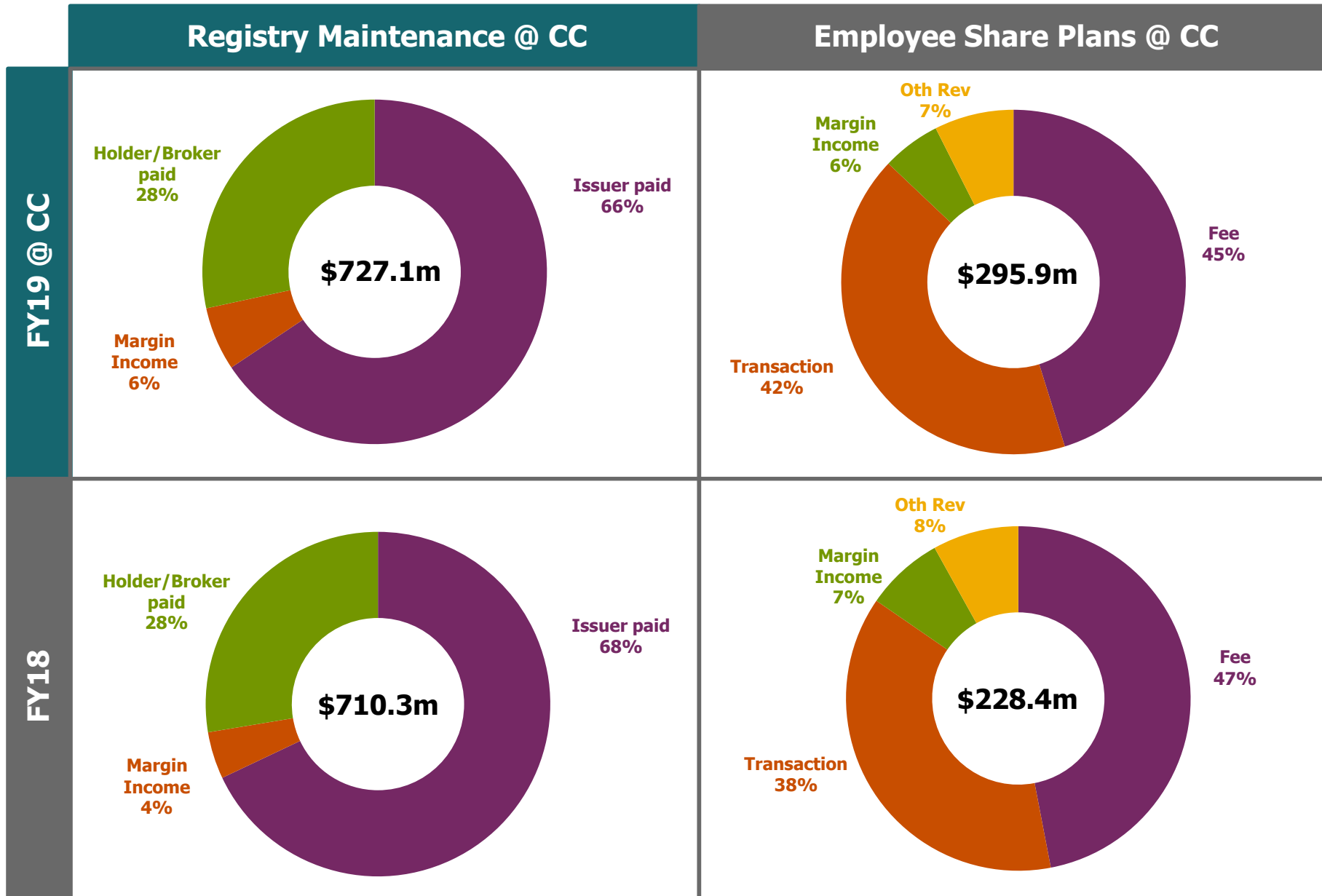
Notable acquisitions: Olympia Finance Group Inc (7th Oct 13), Registrar and Transfer Company (1st May 14), Homeloan Management Limited (17th Nov 14), Valiant (1st May 15), Gilardi & Co. LLC (28th Aug 15), SyncBASE Inc (1st Feb 16), Capital Markets Cooperative LLC (29th Apr 16), Equatex Group Holding AG (9th Nov 18), LenderLive Financial Services, LLC (31st Dec 18)

Notable divestments: Highland Insurance (27th Jun 14), Pepper (30th Jun 14), ConnectNow (30th Jun 15), Closed Joint Stock Company "Computershare Registrar" and Computershare LLC Russia (16th Jul 15), VEM Aktienbank AG (31st Jul 15), INVeSHARE (16th Sep 16), Karvy – 50% interest (17th Nov 18)

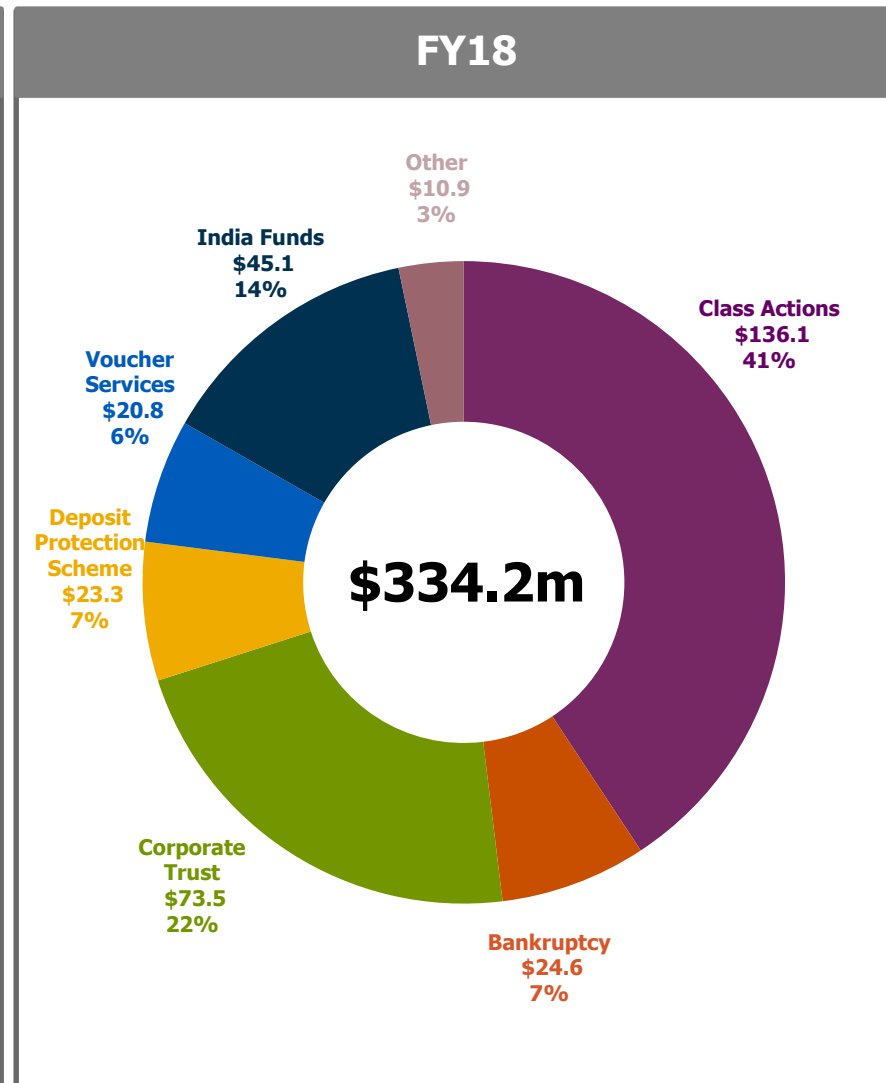
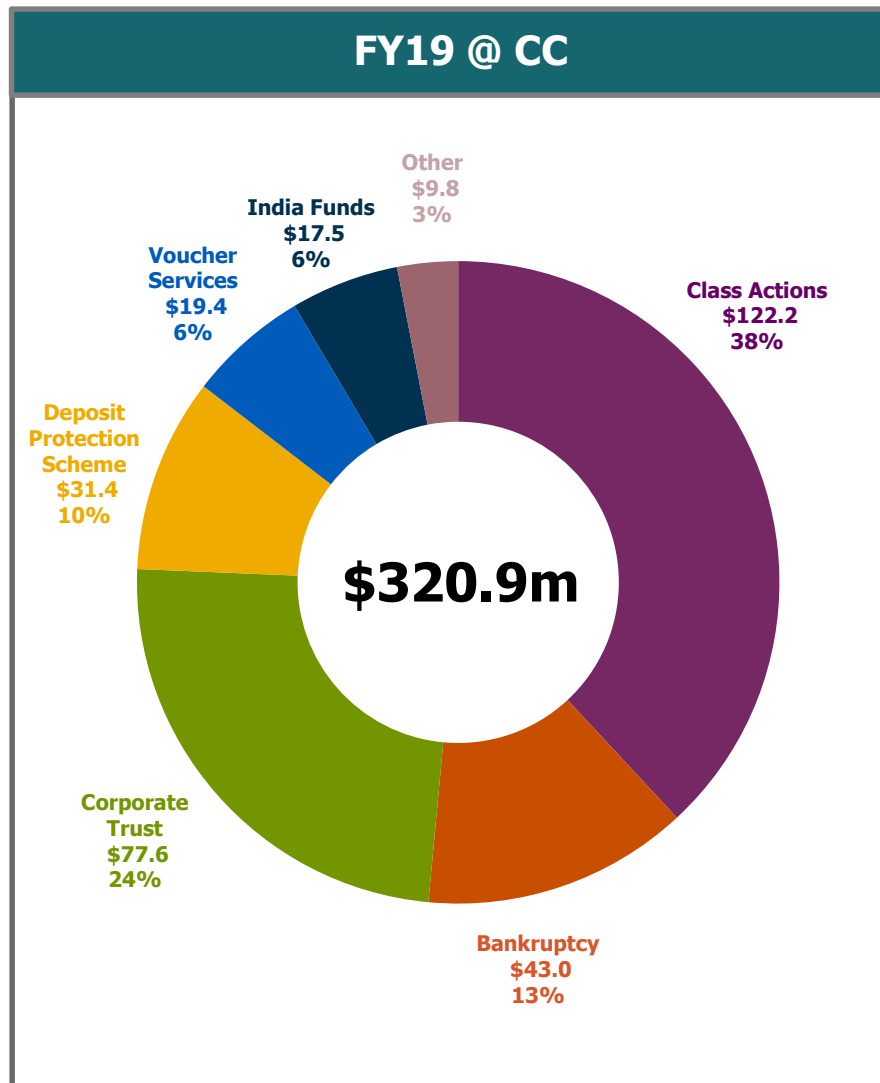
Revenue and EBITDA by business stream at actual FX rates

	FY19 Revenue	FY19 EBITDA	FY19 Actual EBITDA Margin %	FY18 Revenue	FY18 EBITDA	FY18 Actual EBITDA Margin %
Business Services	\$927.4	\$249.7	26.9%	\$894.4	\$240.1	26.8%
<i>Register Maintenance</i>	<i>\$711.2</i>			<i>\$710.3</i>		
<i>Corporate Actions</i>	<i>\$164.3</i>			<i>\$160.6</i>		
Register Maintenance & Corporate Actions	\$875.5	\$315.0	36.0%	\$870.9	\$290.4	33.3%
Employee Share Plans	\$288.5	\$69.2	24.0%	\$228.4	\$53.8	23.5%
Communication Services	\$168.9	\$39.9	23.6%	\$181.6	\$39.2	21.6%
Stakeholder Relationship Mgt	\$67.3	\$10.6	15.7%	\$94.8	\$22.6	23.8%
Corporate & Technology	\$28.9	(\$9.5)	n/a	\$30.7	(\$23.5)	n/a
Total Group	\$2,356.5	\$674.9	28.6%	\$2,300.9	\$622.6	27.1%

Global Register Maintenance and Employee Share Plans revenue



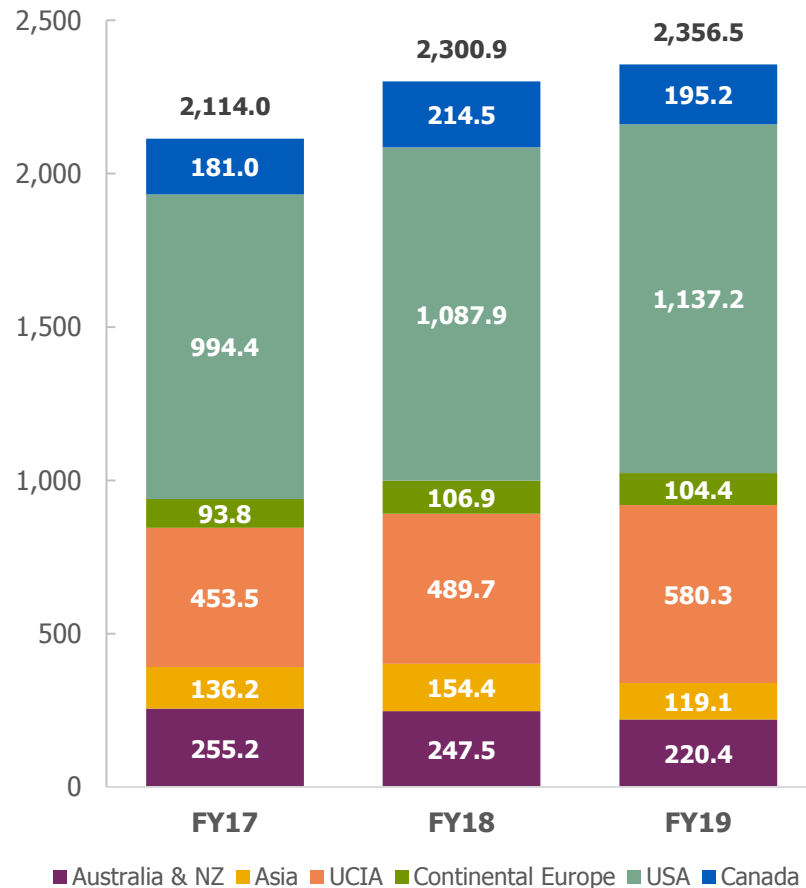
Business Services revenue excluding Mortgage Services



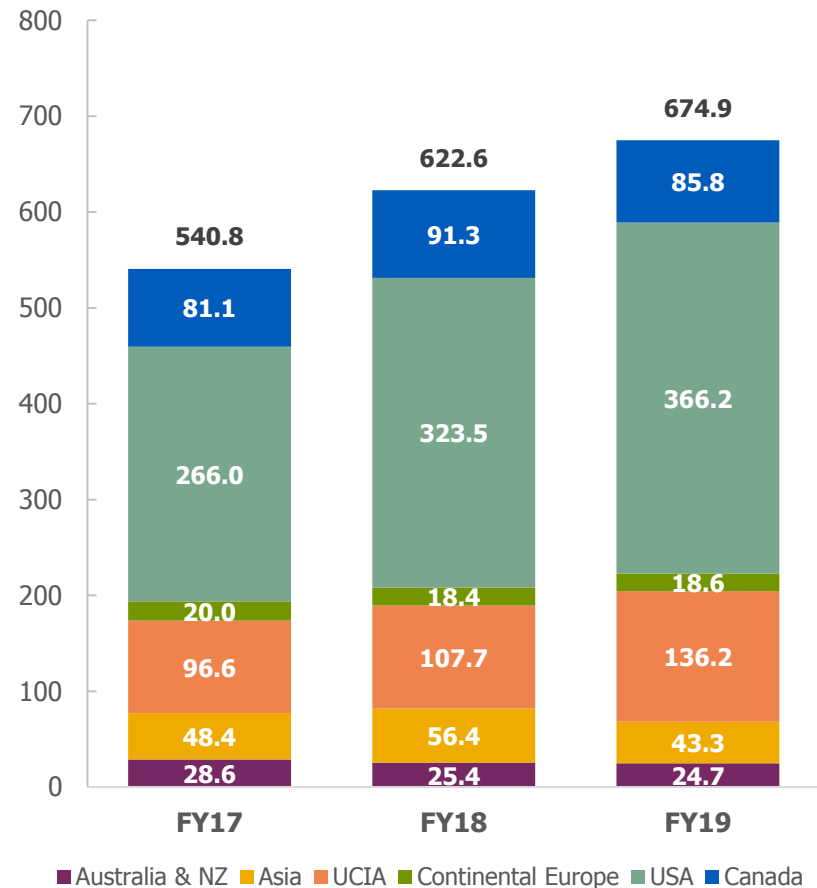
Management revenue and EBITDA at actual FX rates

Regional Analysis

Revenue by region

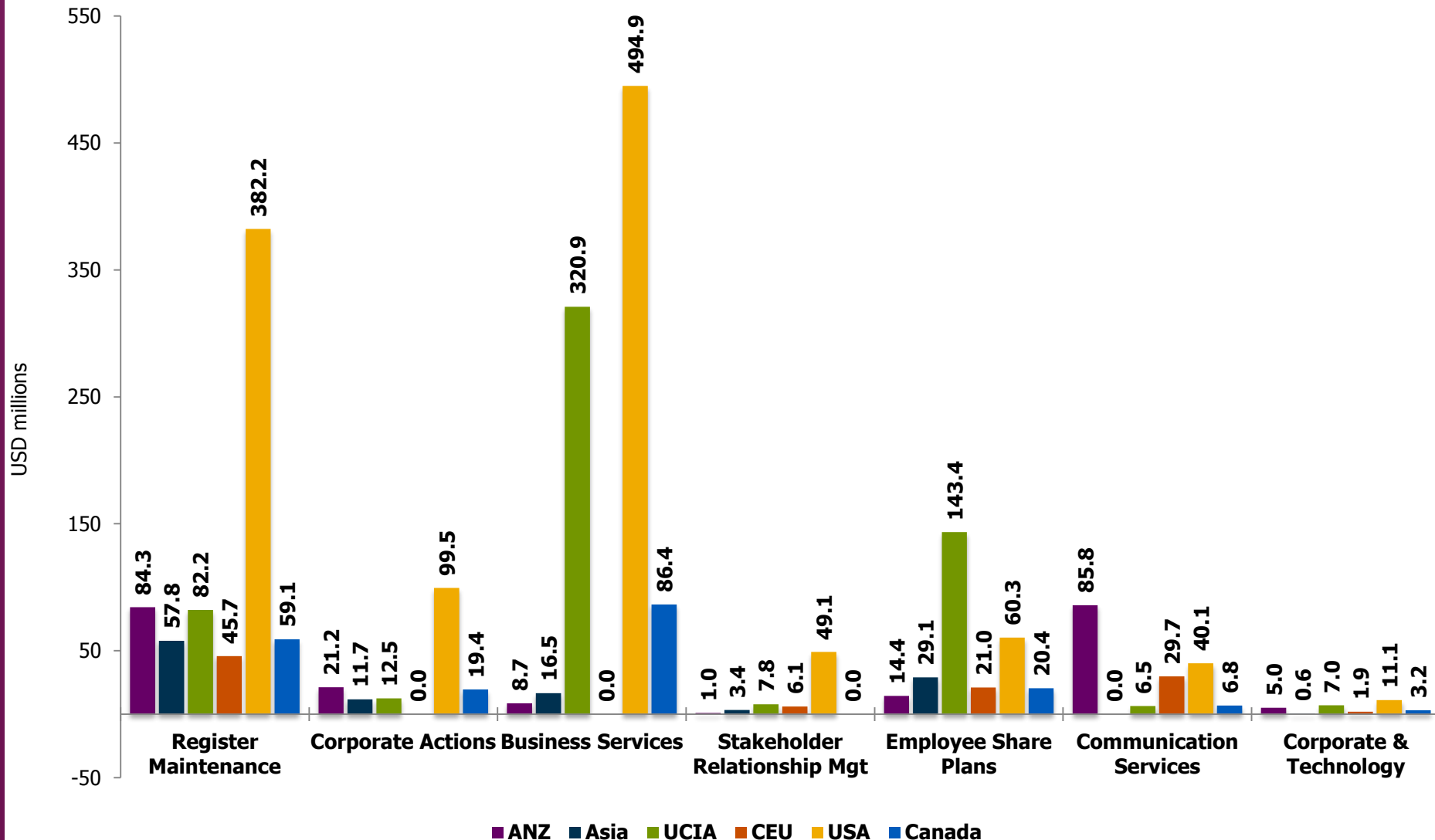


EBITDA by region



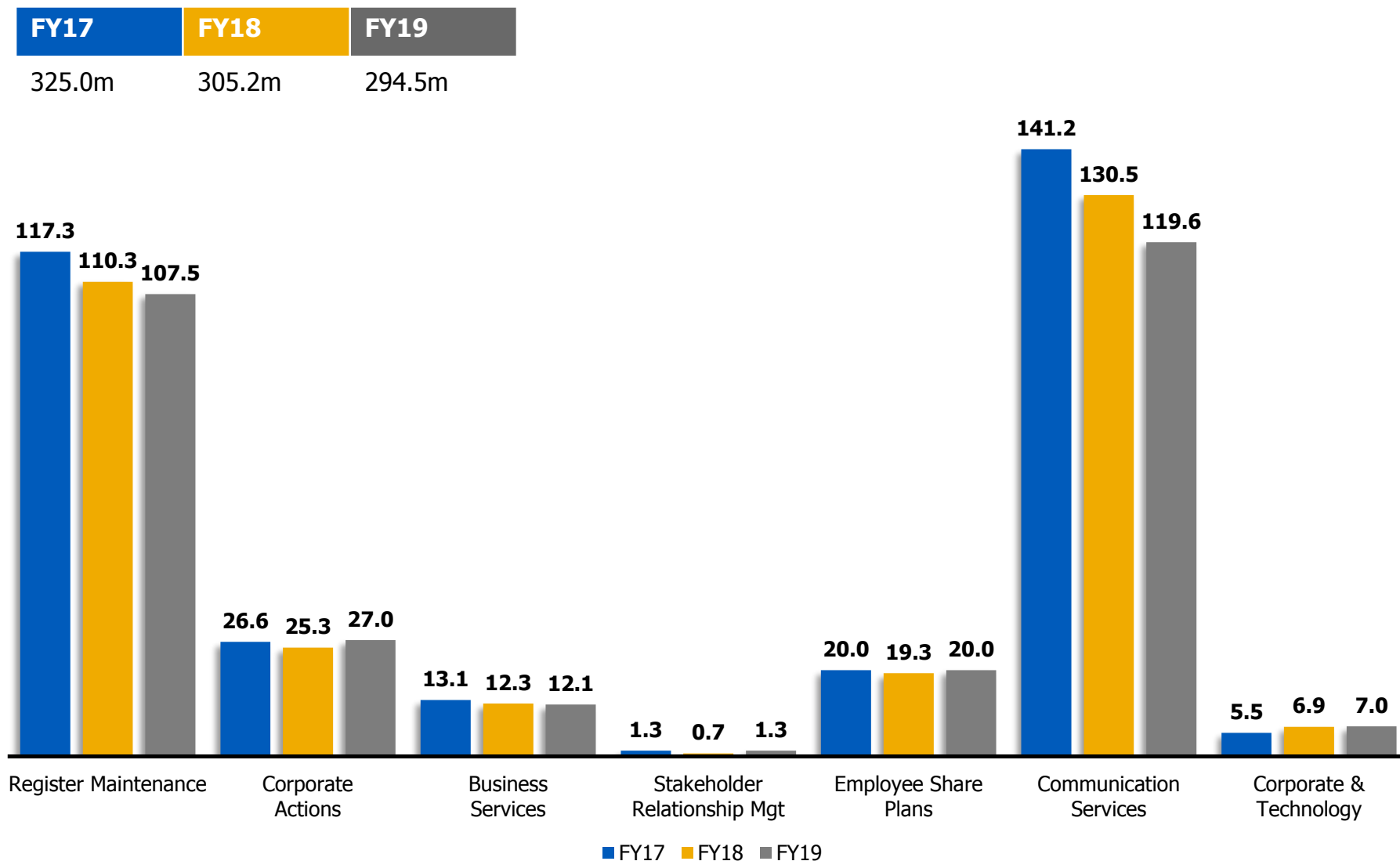
FY19 Management revenue at actual FX rates

Regional Analysis



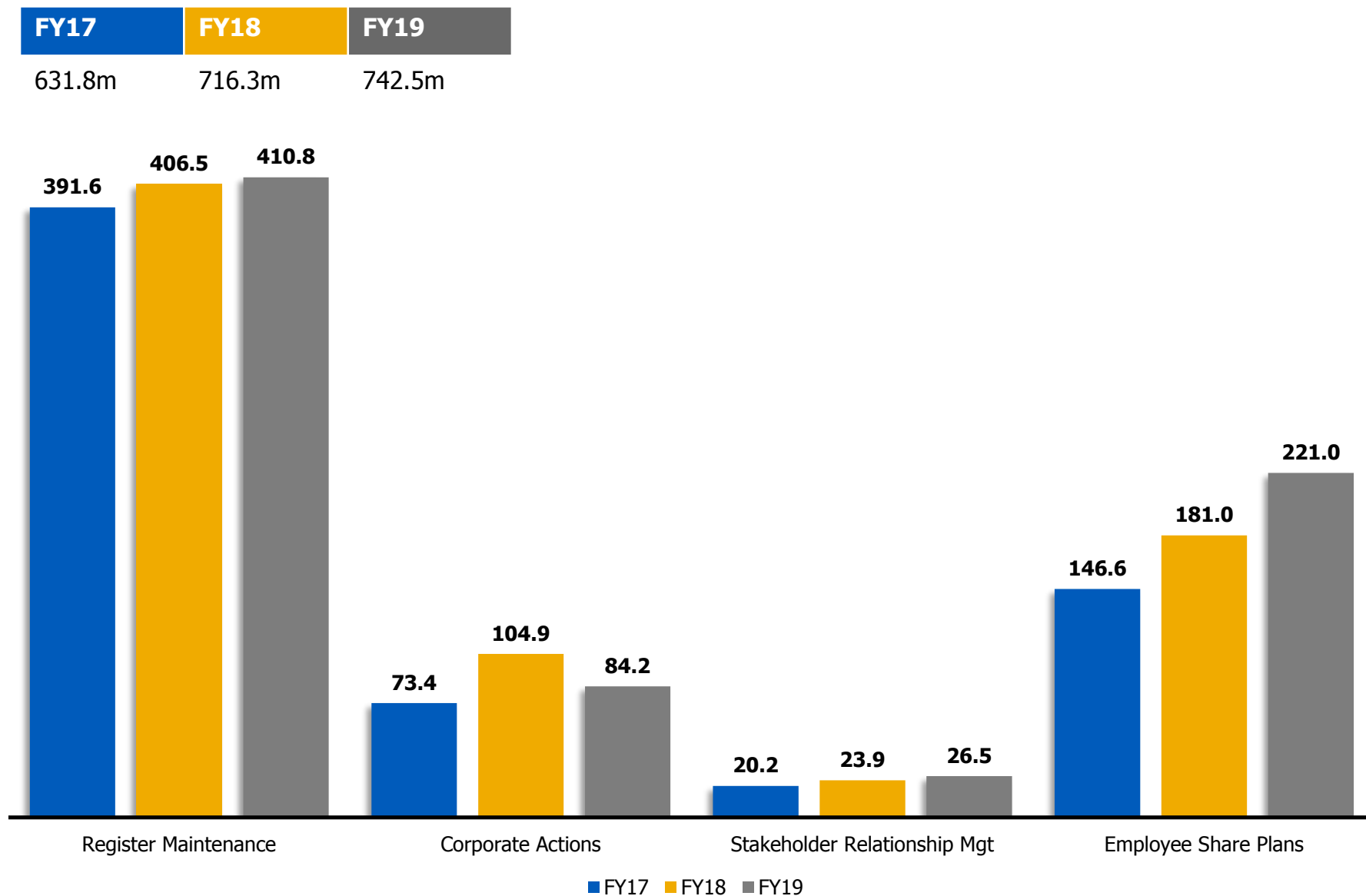
Australia

Management revenue: AUD million



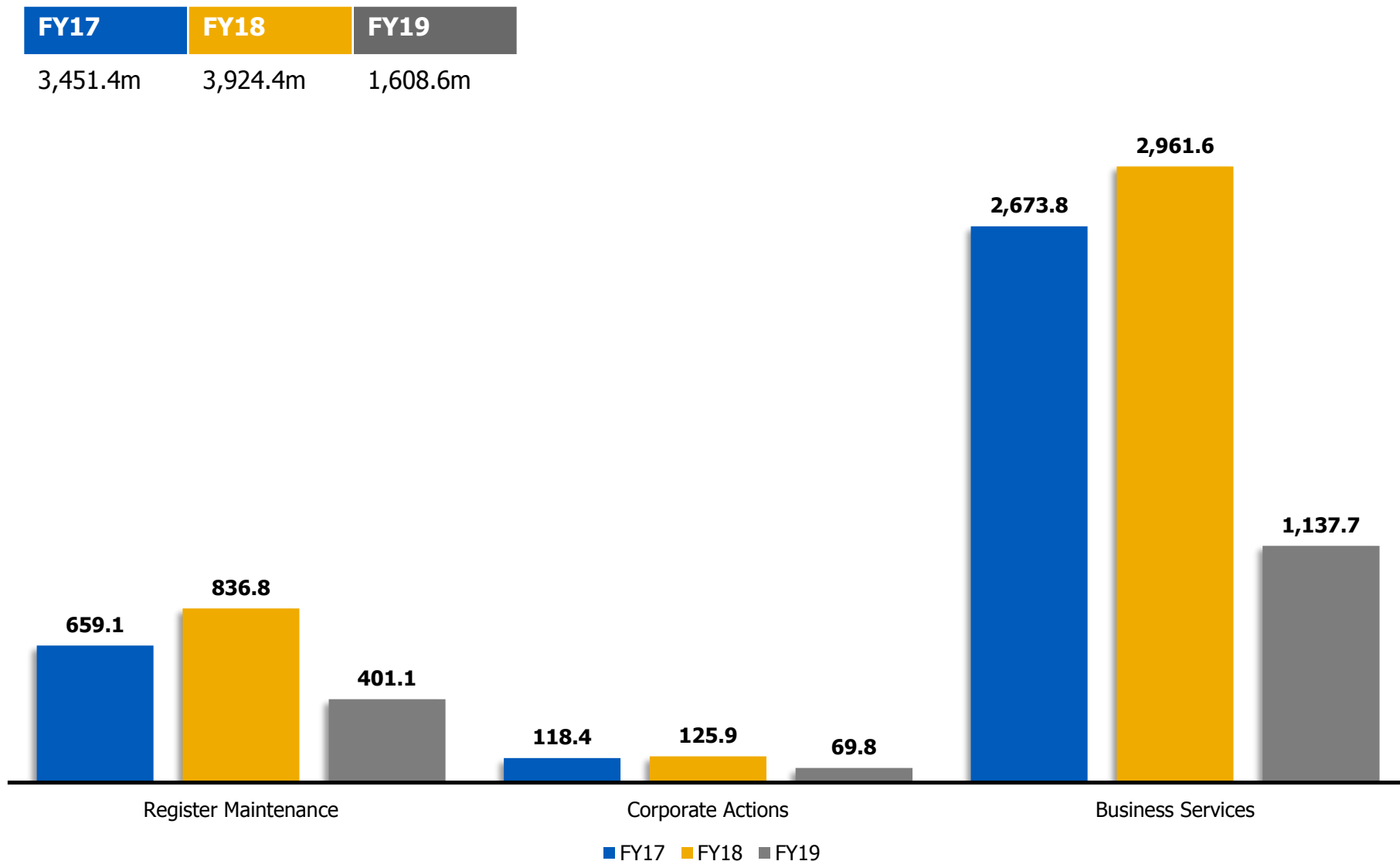
Hong Kong

Management revenue: HKD million



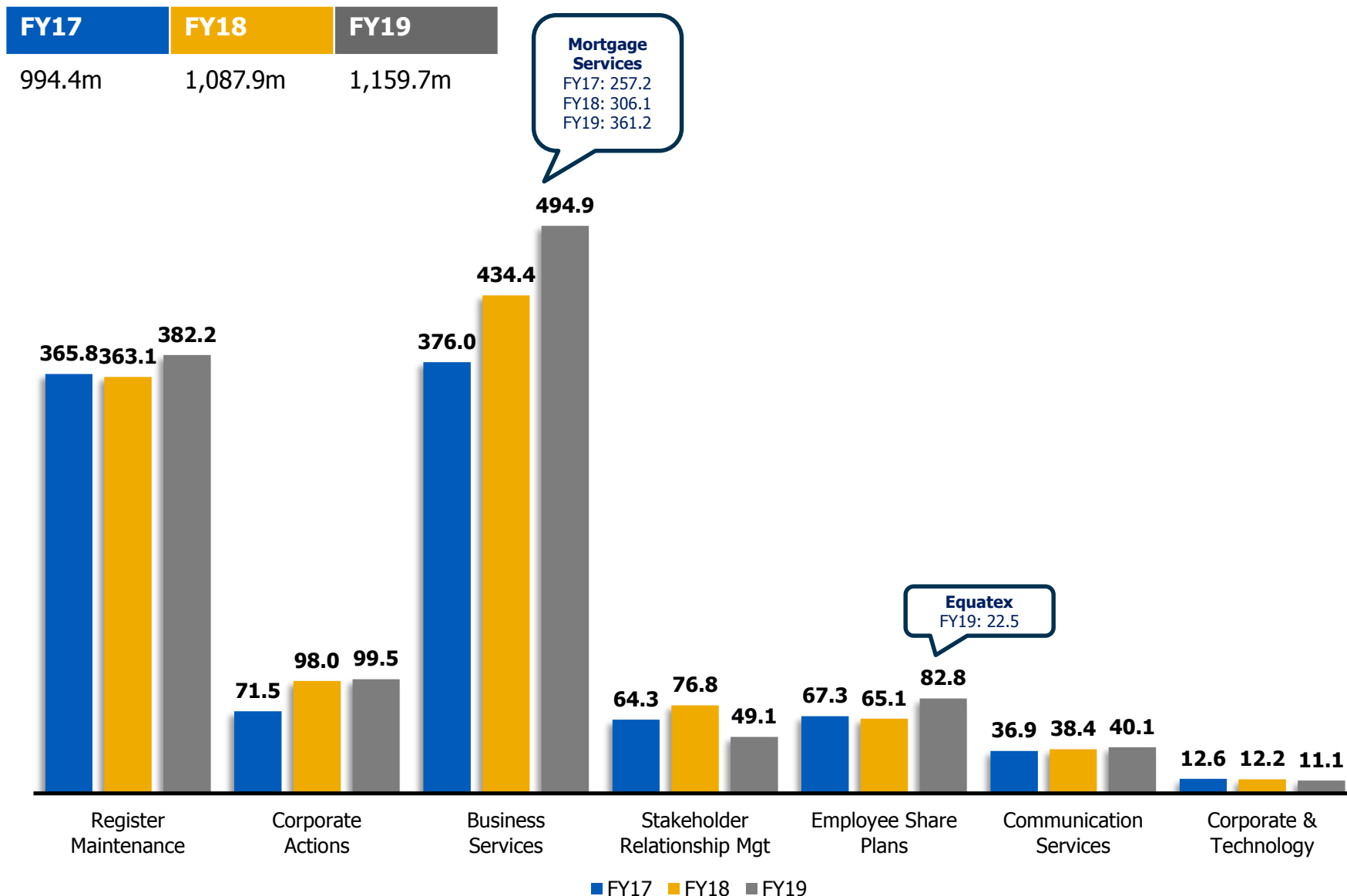
India*

Management revenue: INR million



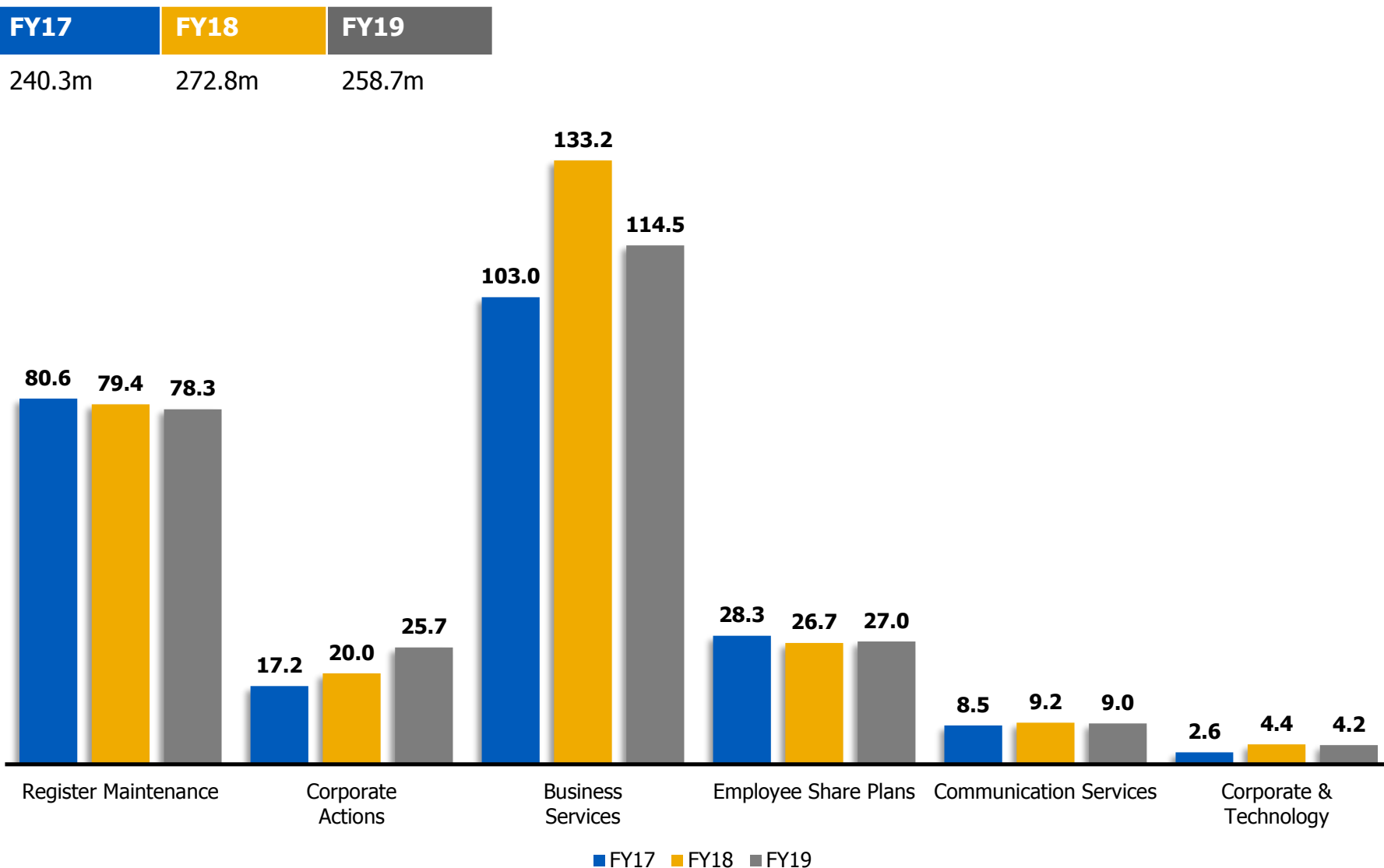
United States

Management revenue: USD million



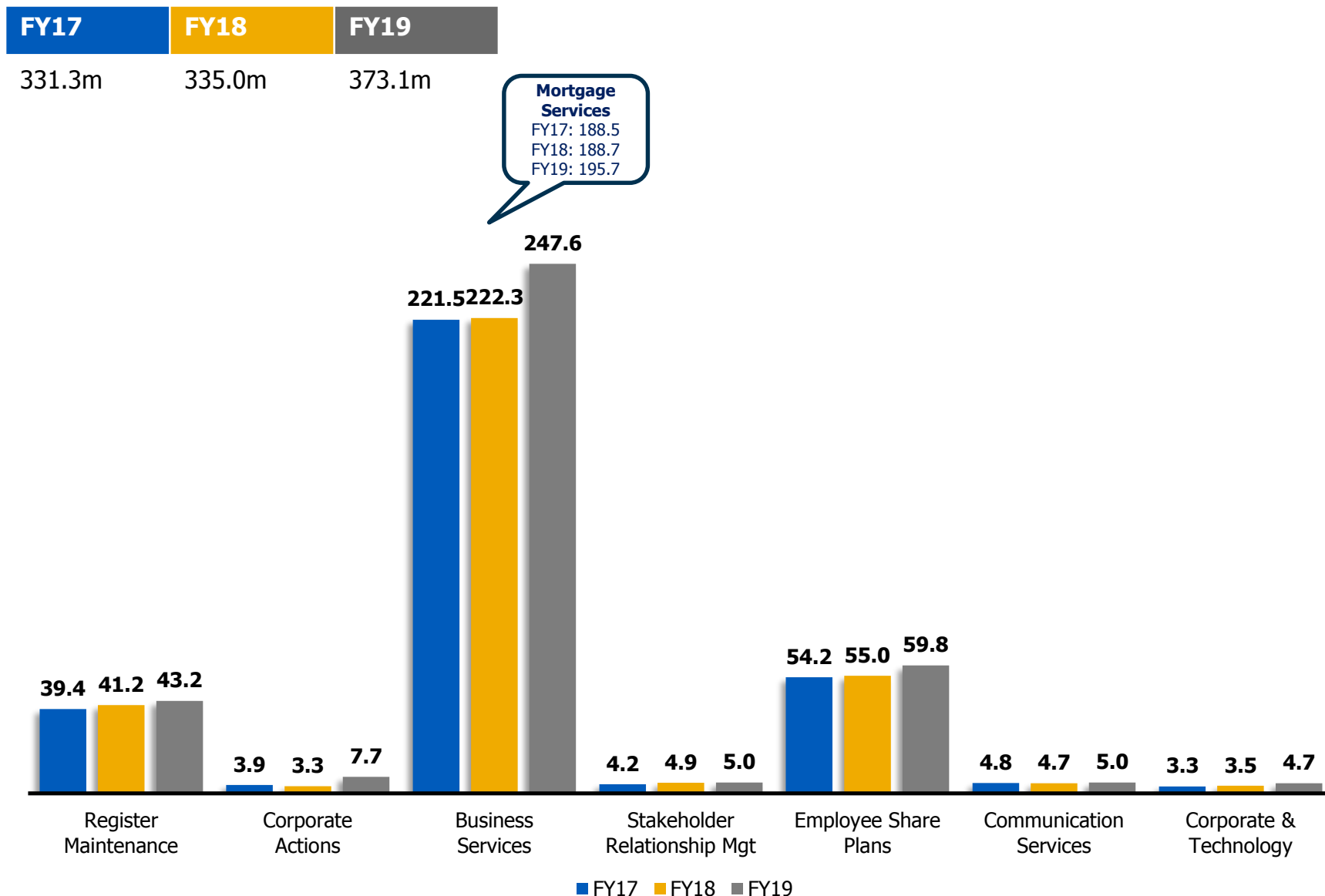
Canada

Management revenue: CAD million



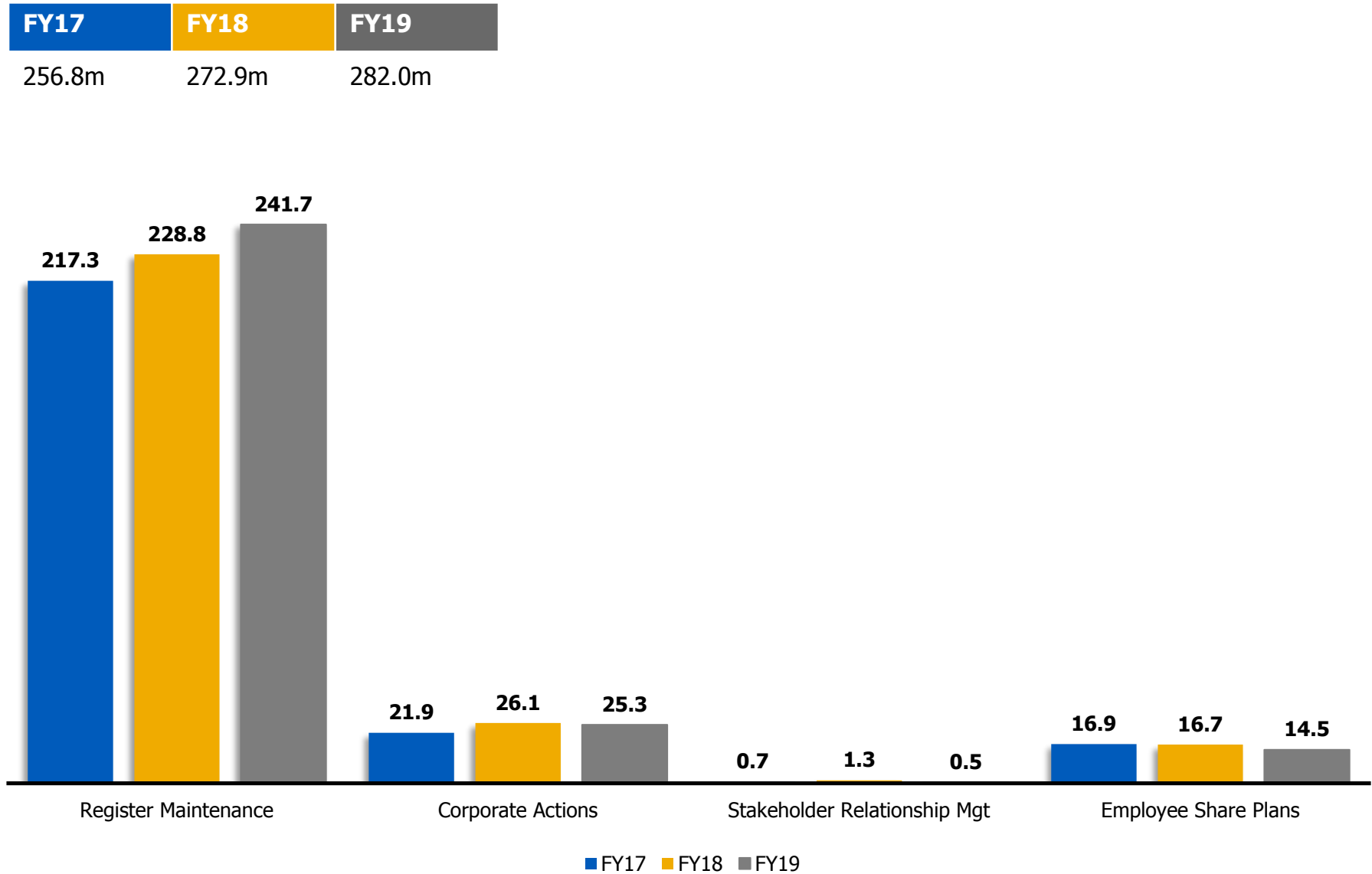
United Kingdom and Channel Islands

Management revenue: GBP million



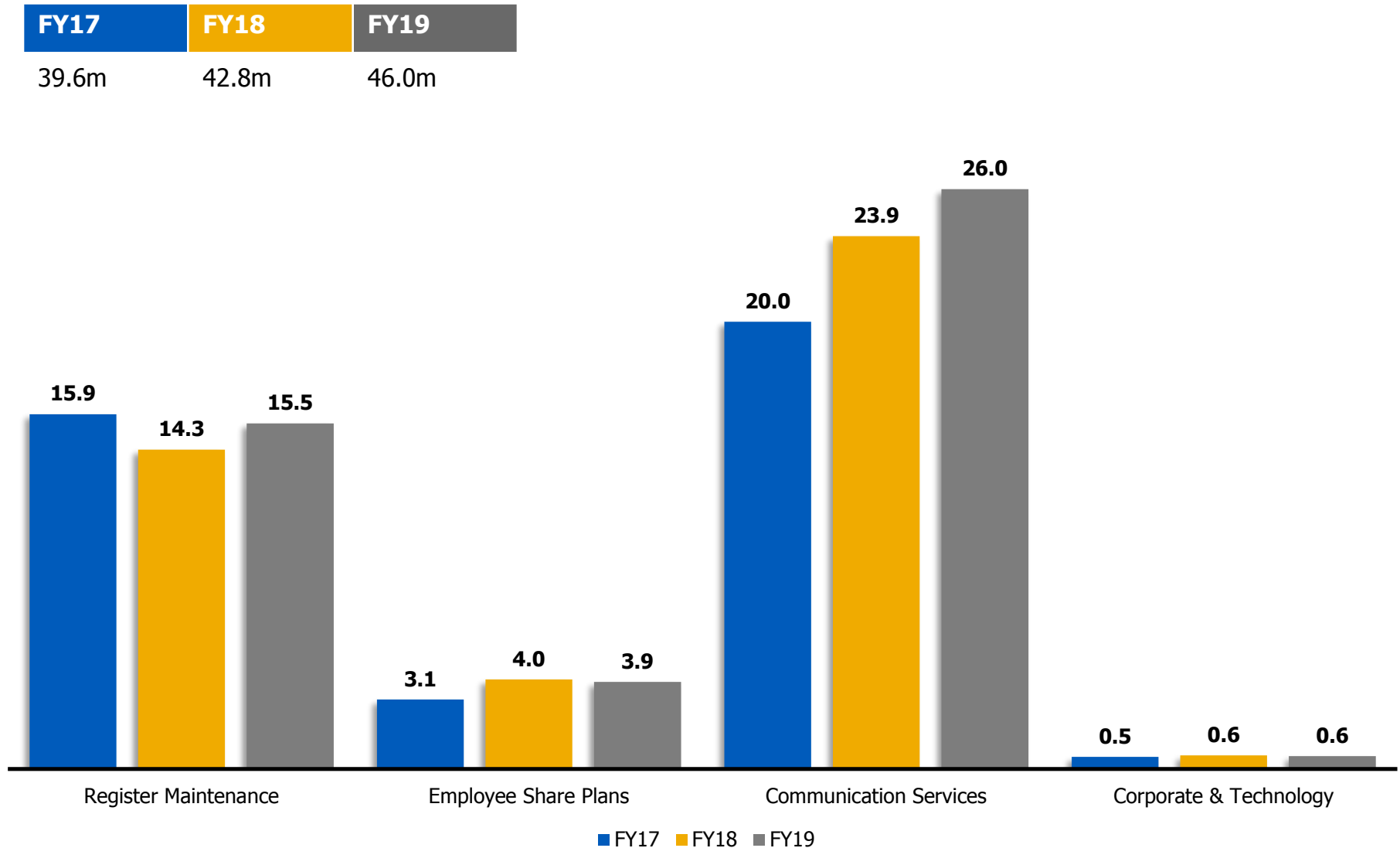
South Africa

Management revenue: RAND million



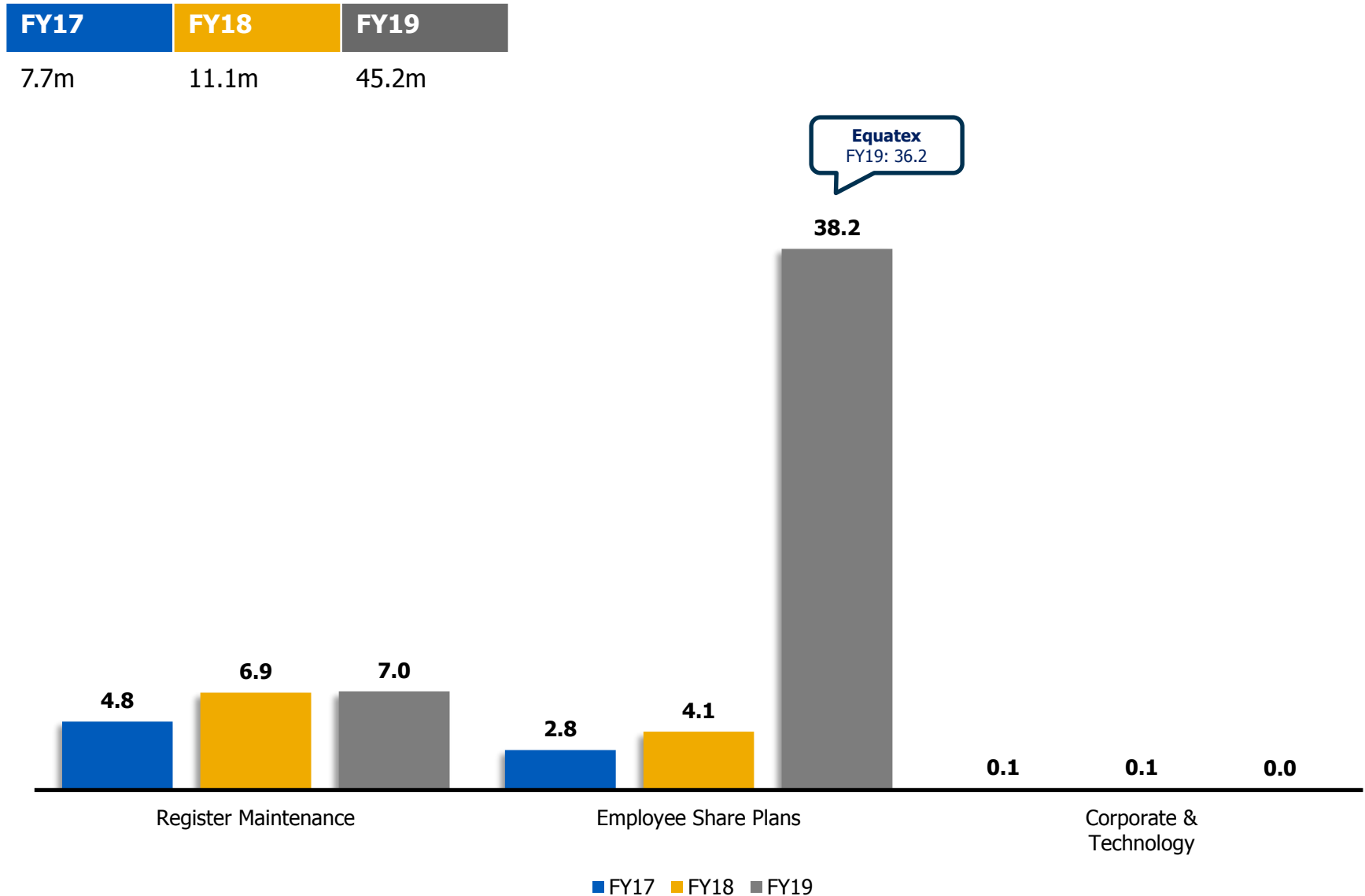
Germany

Management revenue: EUR million

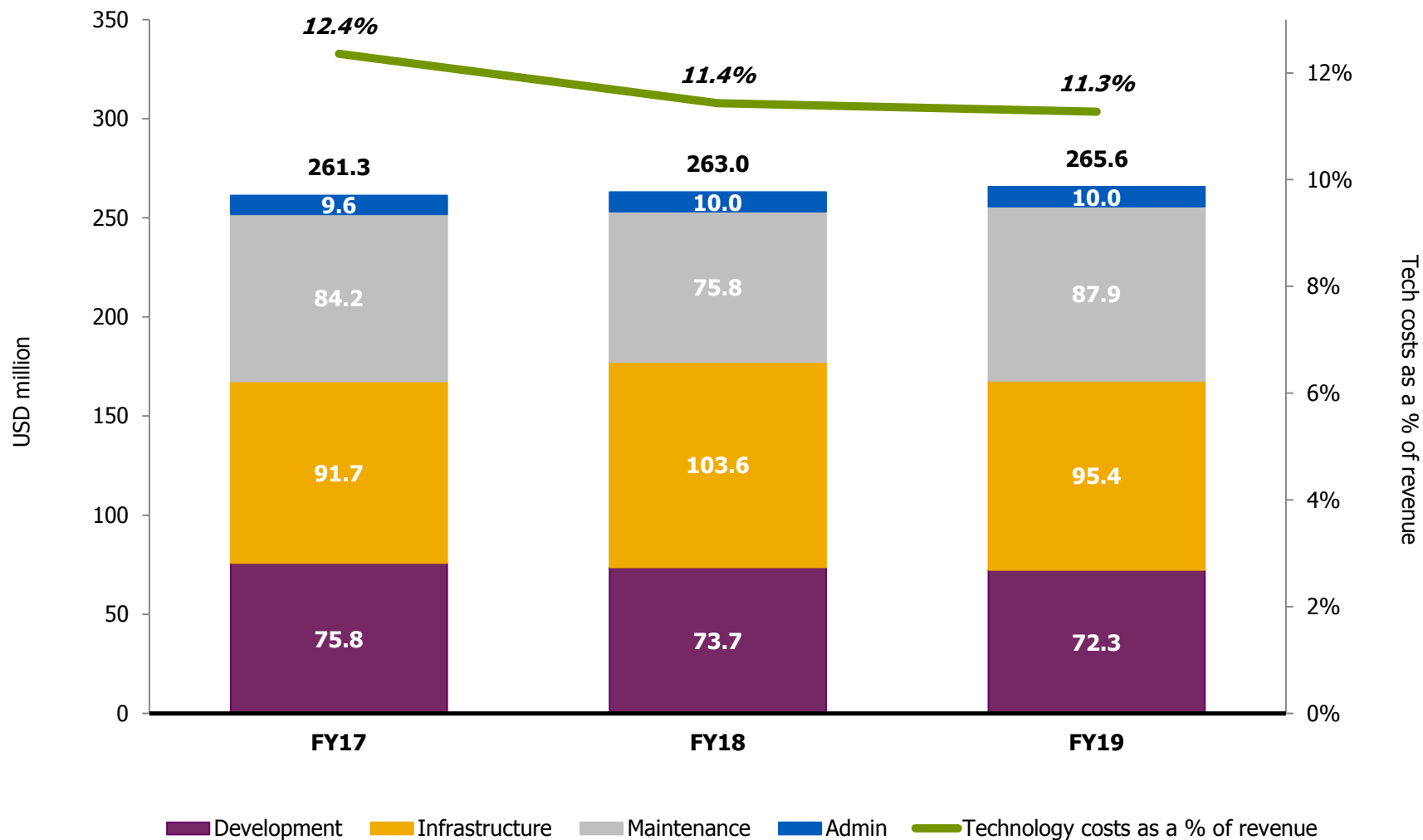


Switzerland

Management revenue: CHF million

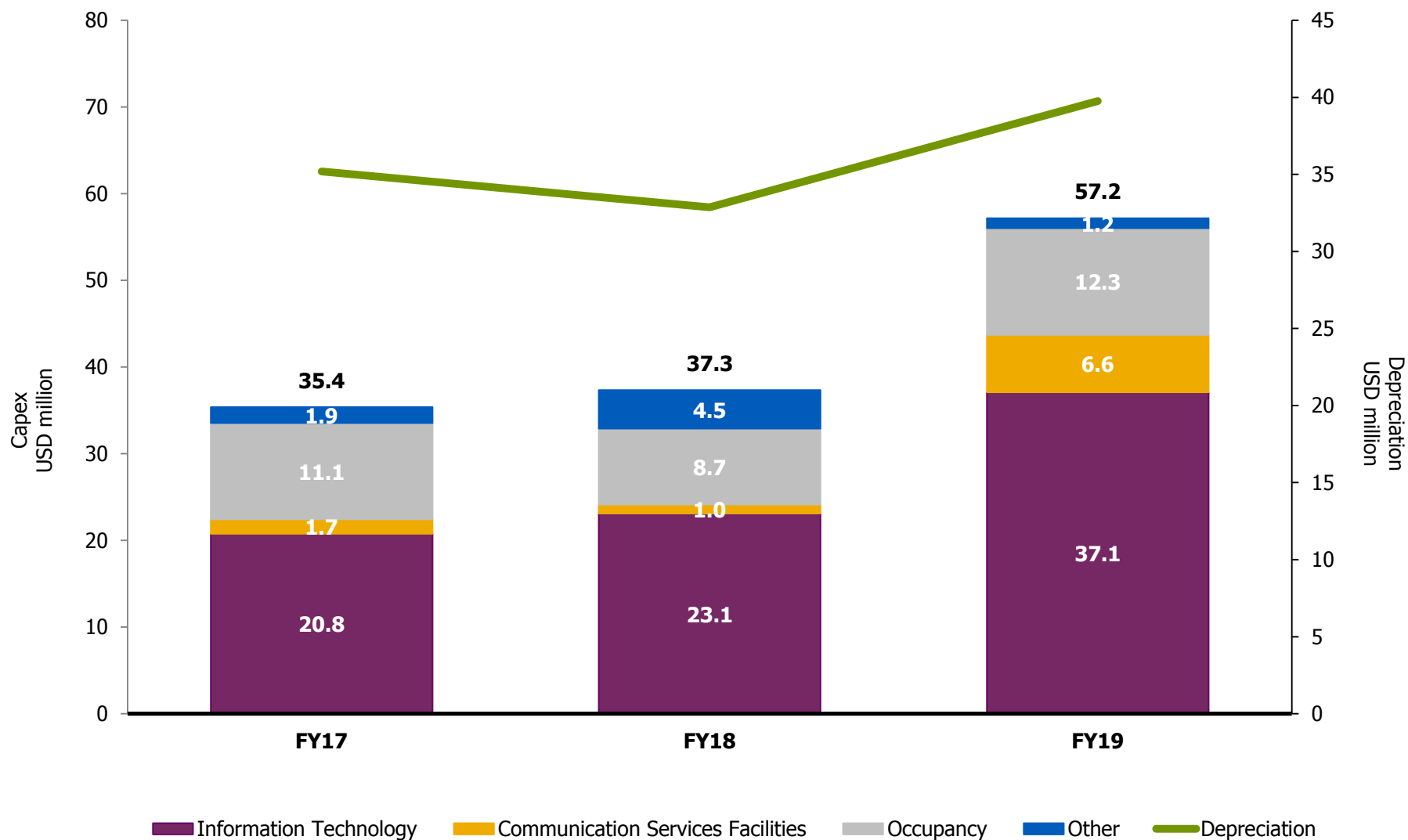


Technology costs at actual FX rates



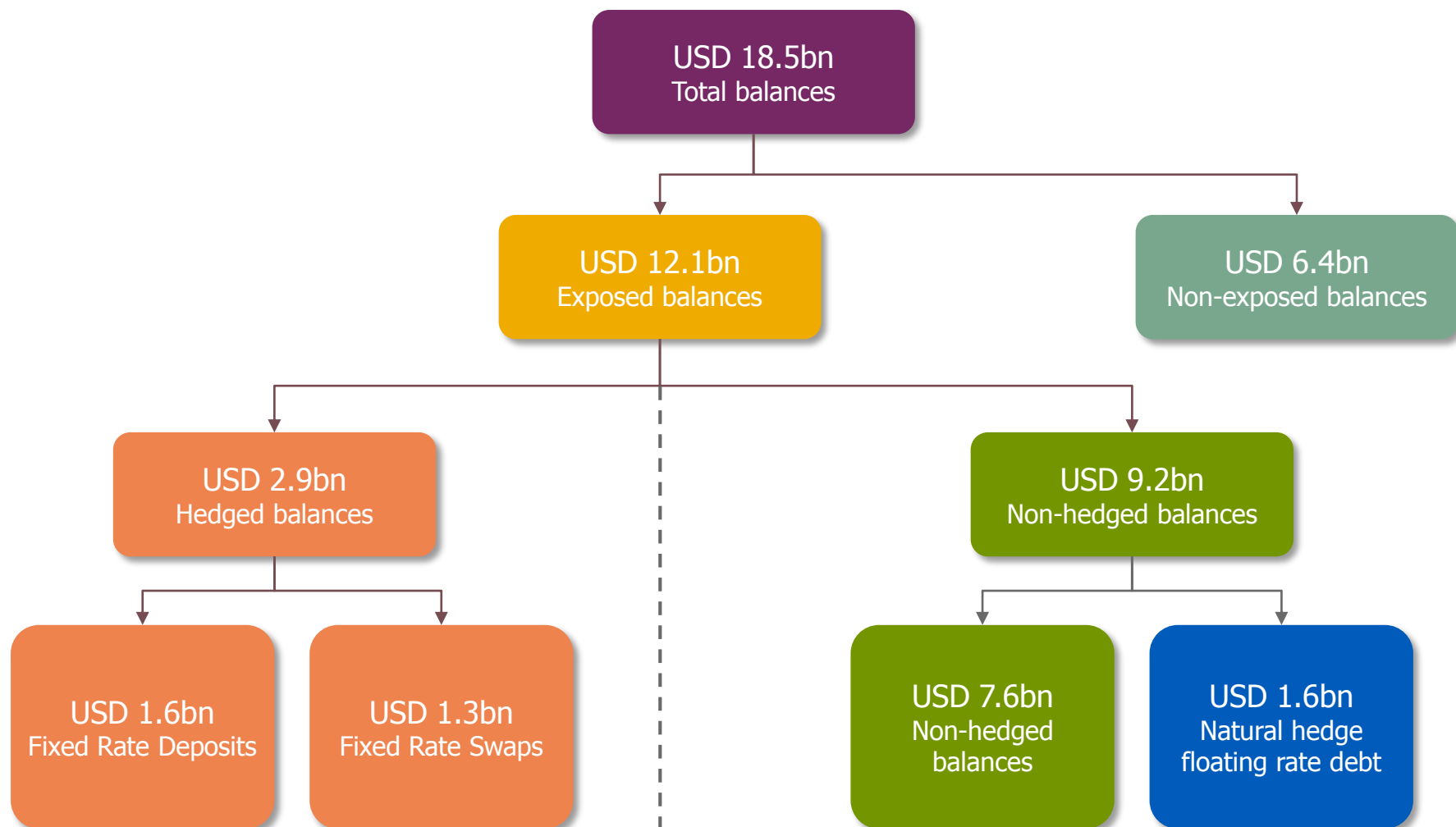
Technology costs include personnel, occupancy and other direct costs attributable to technology services

Capital expenditure versus depreciation at actual FX rates



FY19 Information Technology: US data centre relocation costs \$18.3m.

Breakdown of client balances – averages for FY19



Lagged impact from rate changes

Immediate impact from rate changes

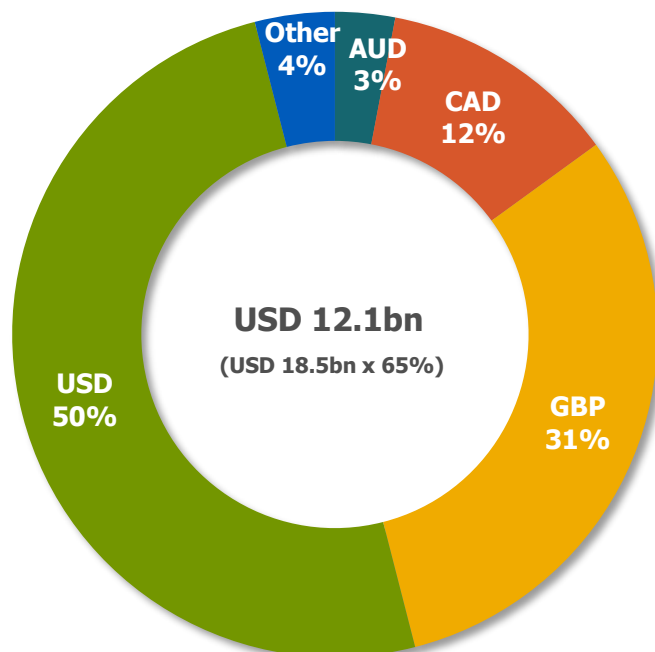
Exposed and non-exposed balances by business

Business Activity	FY19 Balances (USD billions)		Margin income (USD millions)	FY18 Balances (USD billions)		Margin income (USD millions)
	Exposed	Non-exposed		Exposed	Non-exposed	
Register Maintenance	2.4	0.4	42.8	2.3	0.4	31.4
Corporate Actions	3.0	2.4	73.5	2.8	0.8	51.1
Employee Share Plans	1.5	0.2	15.7	1.7	0.3	16.7
Business Services	5.2	3.4	114.4	4.6	4.1	80.3
Totals	12.1bn	6.4bn	246.5m	11.4bn	5.6bn	179.5m
	18.5bn			17.0bn		
Margin income	\$210.7m	\$35.7m		\$145.4m	\$34.1m	
Average annualised yield	1.74%	0.55%		1.28%	0.61%	

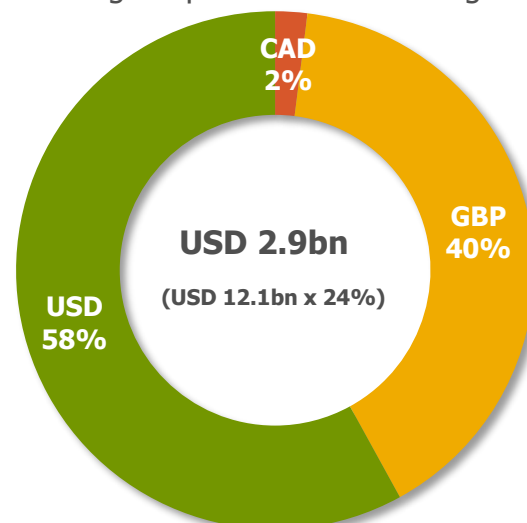
Breakdown of exposed balances by currency

USD exposed balances continues to be the largest component

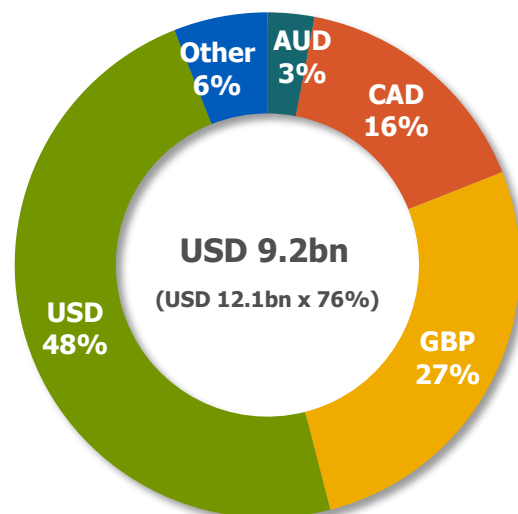
Average exposed balances prior to hedging



Average exposed balances hedged

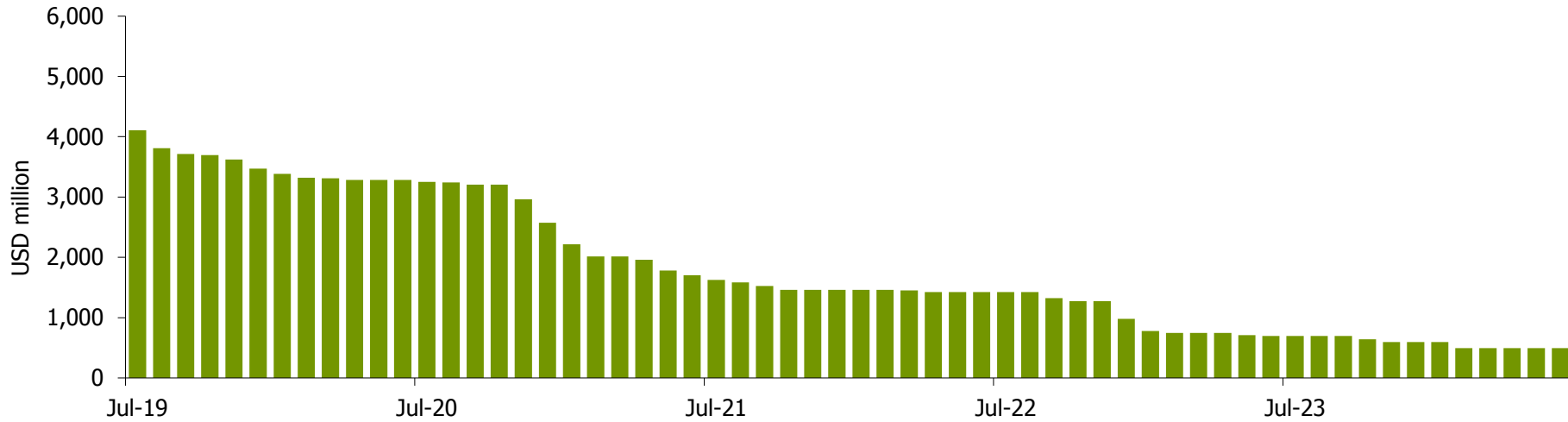


Average exposed balances pre natural hedging



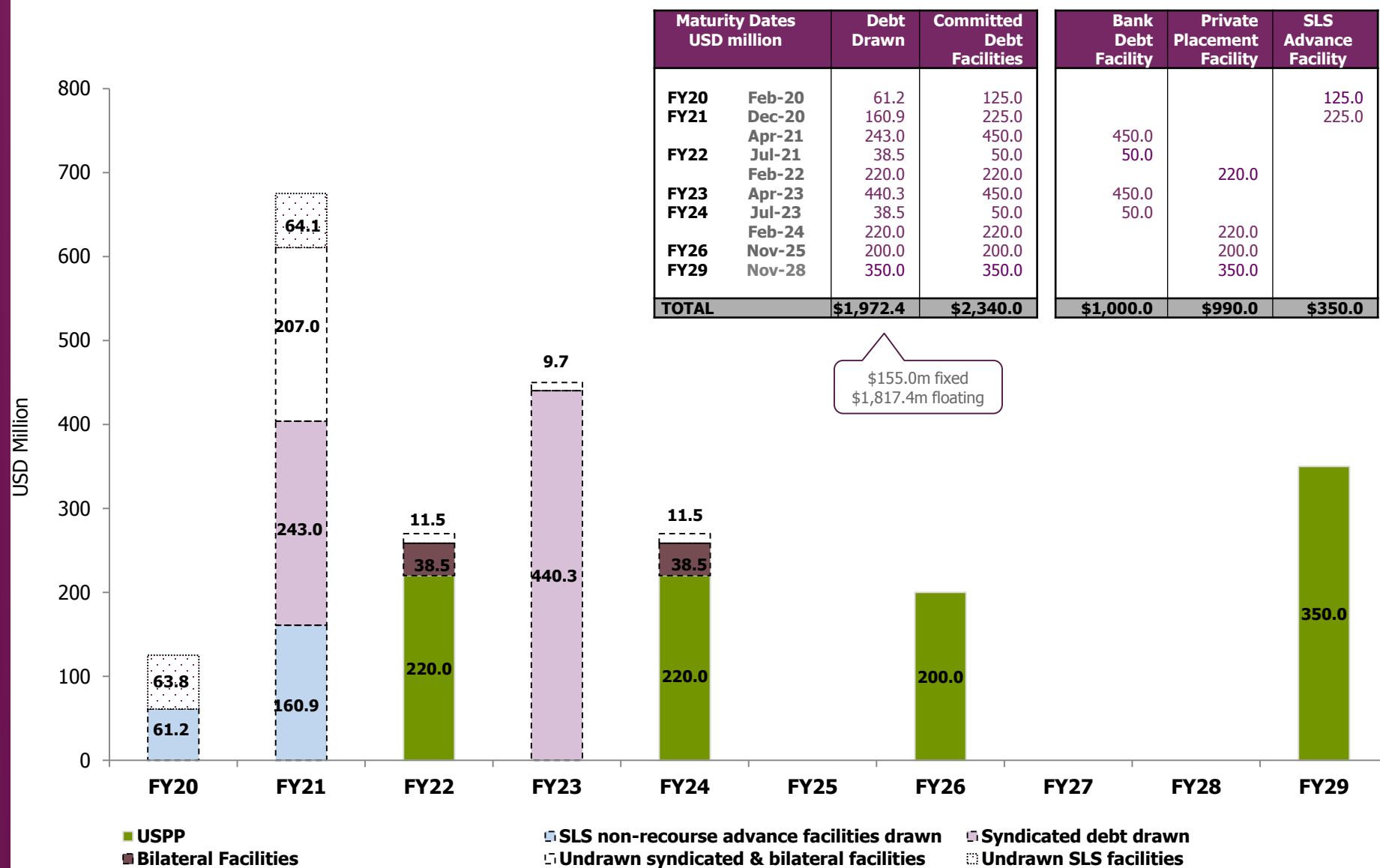
Profile of floating rate deposits

As at 30 June 2019



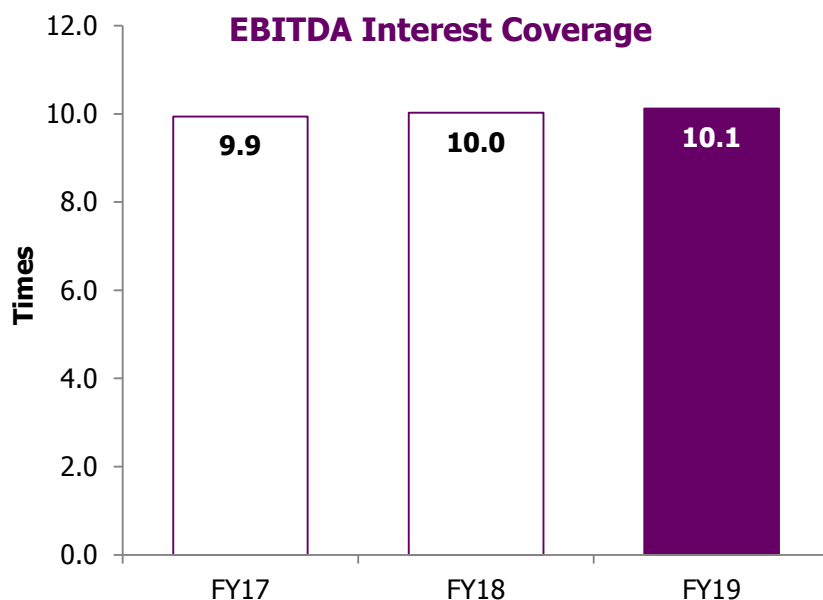
Debt maturity profile – 30 June 2019

Average debt facility maturity is 4.0 years



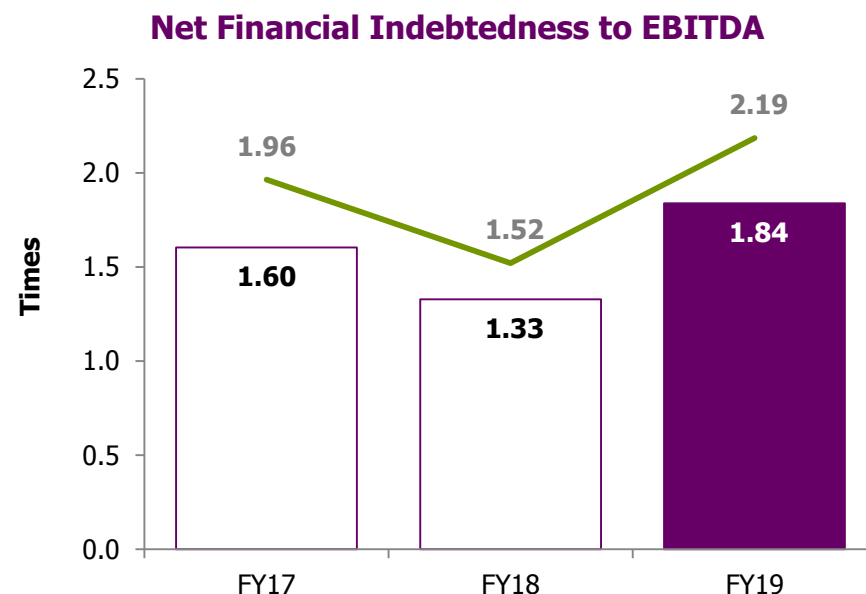
Key financial ratios

	Jun 19 USD m	Jun 18 USD m	Variance Jun 19 to Jun 18
Interest Bearing Liabilities including SLS advance debt	\$2,036.3	\$1,481.1	+37.5%
Less Cash*	(\$561.3)	(\$534.7)	+5.0%
Net Debt (including SLS advance debt)	\$1,475.0	\$946.5	+55.8%
Management EBITDA	\$674.9	\$622.6	+8.4%
Net Financial Indebtedness to EBITDA	2.19 times	1.52 times	Up 0.67 times
Net Financial Indebtedness to EBITDA#	1.84 times	1.33 times	Up 0.51 times



excludes non-recourse SLS advance debt

* Includes cash that is classified as an asset held for sale in Jun-18



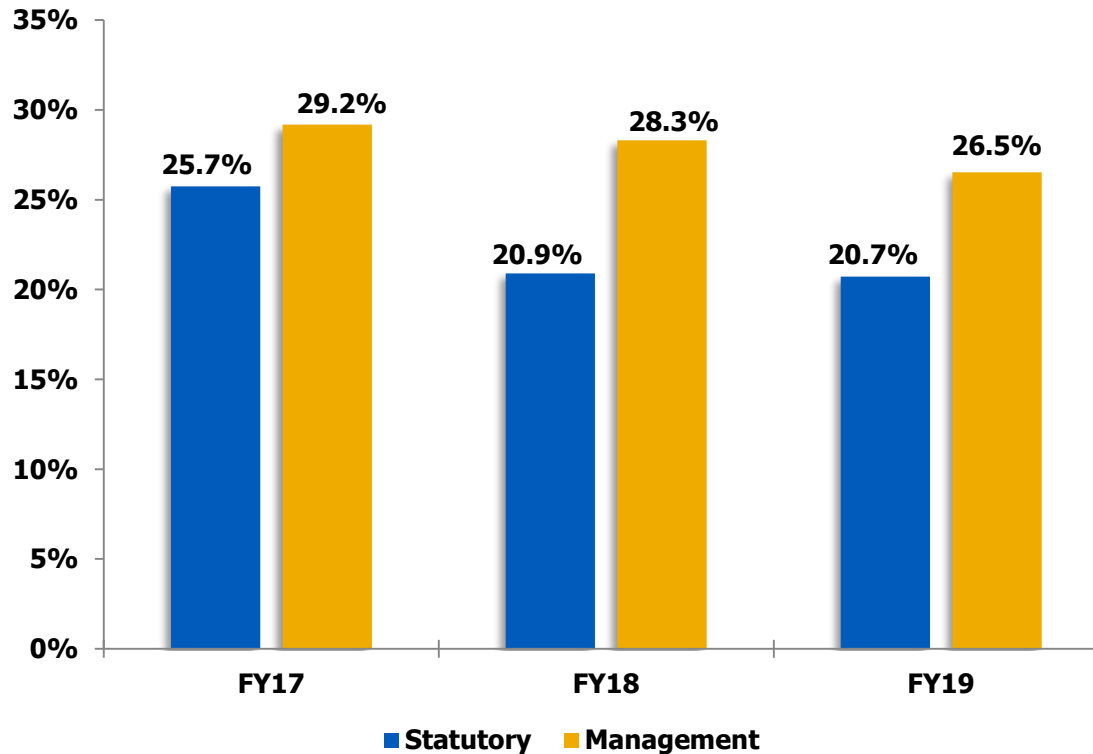
Net debt (excl. non-recourse SLS Advance debt) to EBITDA ratio

Net debt to EBITDA ratio

Effective tax rate

Statutory and management (at actual FX rates)

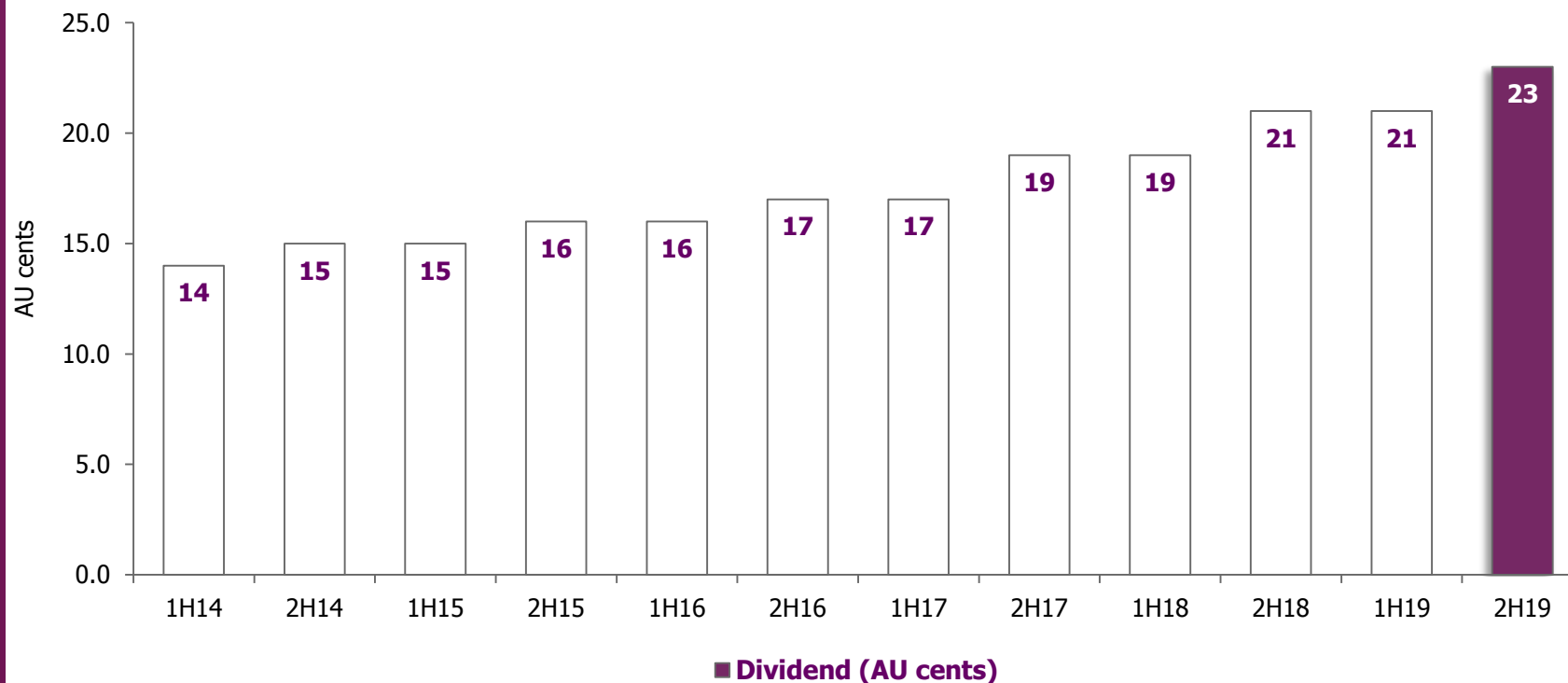
Tax rate %



- > The Group's statutory effective tax rate has slightly decreased from 20.9% in FY18 to 20.7% in FY19
- > The Group's management effective tax rate has decreased from 28.3% in FY18 to 26.5% in FY19. This has been aided by a benefit in 1H19 from favourable settlement of legacy issue

Dividend history and franking

5 Year CAGR 8.7%



Franking (%)											
1H14	2H14	1H15	2H15	1H16	2H16	1H17	2H17	1H18	2H18	1H19	2H19
20%	20%	20%	25%	100%	20%	30%	0%	0%	100%	30%	30%

US and UK mortgage services - UPB and number of loans

US mortgage services UPB up 25.7% (\$101.8bn v \$81.0bn)

		Performing		Non-performing		
		At 30 Jun 19	At 30 Jun 18	At 30 Jun 19	At 30 Jun 18	
Mortgage Servicing	U.S.	Fully-Owned MSRs ¹	\$13.7bn 66K Loans	\$14.7bn 70K Loans	\$10.6bn 97K Loans	\$11.3bn 106K Loans
		Part-Owned MSRs ²	Excess strip deals \$24.3bn 113K Loans	Excess strip deals \$16.8bn 77K Loans	SPV deals \$19.2bn 95K Loans	SPV deals \$13.0bn 62K Loans
		Subservicing ³	\$21.7bn 129K Loans	\$13.4bn 69K Loans	\$12.3bn 119K Loans	\$11.8bn 101K Loans
		Total US UPB	\$59.7bn	\$44.9bn	\$42.1bn	\$36.1bn
	U.K.	Fee for Service ^{3,4}	£48.1bn 381k Loans	£50.2bn 417K Loans	£4.2bn 34K Loans	£3.4bn 30K Loans

¹ CPU owns the MSR outright

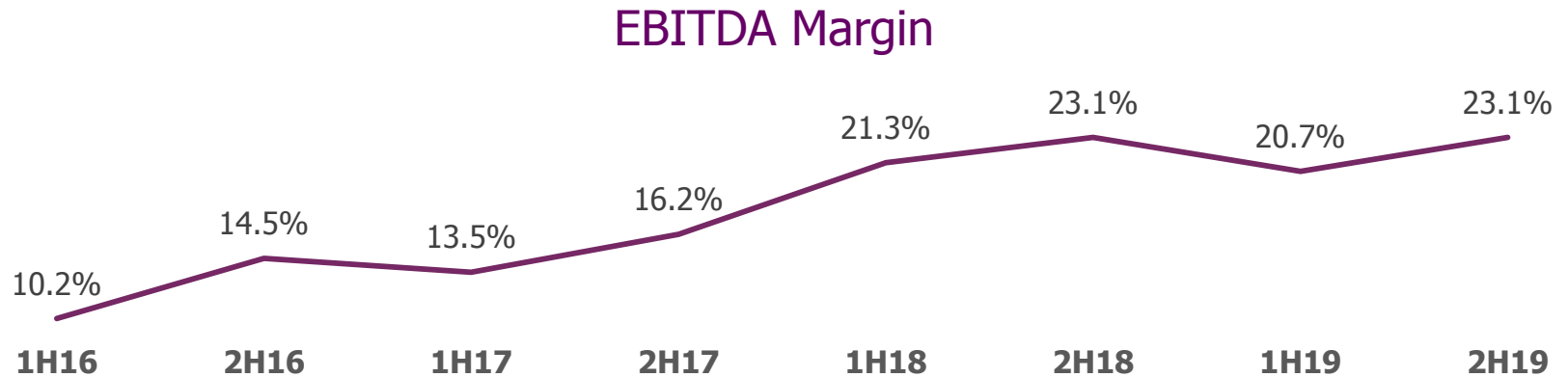
² CPU has sold part of the MSR to a third party investor

³ Servicing performed on a contractual basis

⁴ UK includes bureau UPB value, but excludes the number of bureau loans

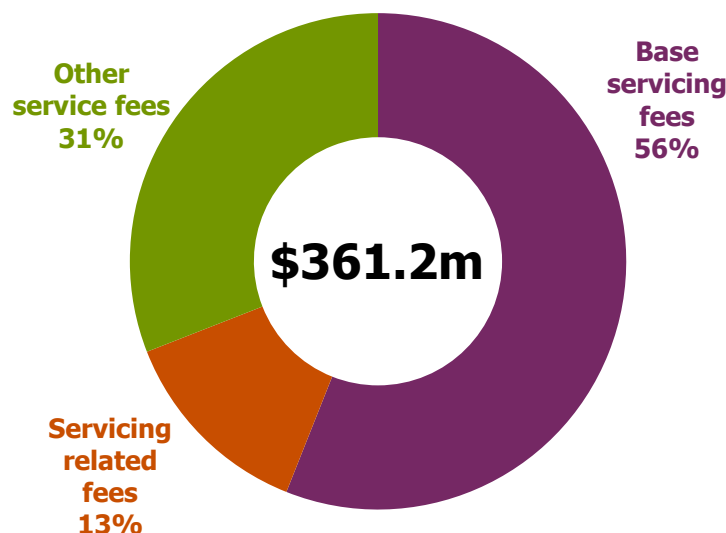
Mortgage Services Revenue and EBITDA at actual FX rates

	1H16	2H16	1H17	2H17	1H18	2H18	1H19	2H19
US Mortgage Services revenue	\$106.4	\$115.6	\$123.7	\$133.5	\$143.4	\$162.7	\$159.5	\$201.6
UK Mortgage Services revenue	\$41.1	\$52.2	\$117.3	\$122.4	\$121.7	\$132.4	\$126.8	\$126.8
Total Mortgage Services revenue	\$147.5	\$167.8	\$241.0	\$255.9	\$265.1	\$295.1	\$286.3	\$328.4
Total Mortgage Services EBITDA	\$15.0	\$24.4	\$32.6	\$41.4	\$56.4	\$68.1	\$59.3	\$75.8
EBITDA Margin %	10.2%	14.5%	13.5%	16.2%	21.3%	23.1%	20.7%	23.1%



Financial Snapshot – US Mortgage Services

FY19 revenue composition



- Base servicing fees, \$202.3m, +18.3%
- Servicing related fees \$47.1m, -5.9%
- Other services fees \$111.7m, +31.4%

	Jun-19	Jun-18	Annual Report reference	
Net Loan Servicing Advances	\$59.5	\$37.8	• Note 16 Loan servicing advances • Note 14 Interest bearing liabilities	▪ <i>Loan servicing advances</i> ▪ <i>SLS non-recourse lending facility</i>
Net MSR intangible asset	\$330.3	\$272.6	• Note 10 Intangible assets • Note 25 Mortgage servicing related liabilities	▪ <i>Mortgage servicing rights</i> ▪ <i>Mortgage servicing related liabilities</i>
Investment in SPVs	\$38.6 ²	\$25.4	• Note 20 Available-for-sale financial assets (Jun18)	▪ <i>Investment in structure entities</i>
Other intangible assets ¹	\$73.7	\$66.8	• Note 10 Intangible assets	▪ <i>Goodwill; Other</i>
Total invested capital	\$502.2	\$402.6		
Net cash payments for MSR purchases	\$100.4	\$89.4	• Cashflow statement	▪ <i>Investing cash flow - Payments for purchase of controlled entities and businesses (net of cash acquired) and intangible assets</i>
MSR amortisation	\$43.1	\$34.4	• Note 3 Expenses	▪ <i>Total Amortisation (net)</i>

¹ Other intangibles are largely goodwill and acquired client lists related to acquisitions

² FY19 Financial assets at fair value through profit or loss – AASB 9 transition

Mortgage services key terms

Performing servicing: Servicing of a mortgage which is less than 30 days delinquent. Typically loans that meet the criteria of the Government Sponsored Entities e.g. "Fannie Mae", "Freddie Mac".

Non-performing servicing: Servicing of a mortgage that is over 30 days delinquent up to management of the foreclosure process. Typically, non-performing servicing is performed over loans that are part of a securitization arrangement.

Mortgage servicing rights: Intangible assets representing an ownership right to service the mortgage for a fee for the life of the mortgage. The owner of the MSR can either service the loan itself or appoint a sub-servicer to do so.

Servicing advances: The owner of the MSR is required to fund various obligations required to protect a mortgage if the borrower is unable to do so. Advances receive a priority in any liquidation and are often financed in standalone non-recourse servicing advance facilities.

Part owned MSRs

- › An Excess Strip Sale refers to the sale of a stream of cash flows associated with the servicing fee on a performing MSR. The seller of the servicing strip has the ability to service the mortgage.
- › An SPV deal refers to the sale of the rights to the MSR and associated servicing advances into an SPV. CPU typically takes a 20% equity stake in the SPV and performs all servicing on the loans via a sub-servicing fee for service relationship.

US mortgage services – revenue definitions

Base fees – Fees received for base servicing activities

- › Fees are generally assessed in bps for owned or structured deals, while subservicing is usually paid as a \$ fee
- › Subservicing fees vary by loan delinquency or category

Servicing related fees – Additional fees received from servicing a loan

- › Loss mitigation fees e.g. for loan modifications
- › Ancillary Fees e.g. late fees
- › Margin income

Other service fees

- › Includes valuation, real estate disposition services, loan fulfilment services and CMC Coop Services

Exchange rates

- › Average FX rates used to translate profit and loss to US dollars for key reporting currencies
- › The USD has strengthened in FY19 against all currencies

Currency	FY19	FY18	Var	Movement against USD:
USD	1.0000	1.0000		
AUD	1.3933	1.2890	8.1%	↓ Weakened
HKD	7.8405	7.8219	0.2%	↓ Weakened
NZD	1.4874	1.3977	6.4%	↓ Weakened
INR	70.4260	64.9732	8.4%	↓ Weakened
CAD	1.3252	1.2716	4.2%	↓ Weakened
GBP	0.7716	0.7427	3.9%	↓ Weakened
EUR	0.8746	0.8396	4.2%	↓ Weakened
RAND	14.1190	12.7589	10.7%	↓ Weakened
RUB	65.5333	58.7412	11.6%	↓ Weakened
AED	3.6729	3.6728	0.0%	↓ Weakened
DKK	6.5256	6.2495	4.4%	↓ Weakened
SEK	9.1332	8.3012	10.0%	↓ Weakened
CHF	0.9937	0.9689	2.6%	↓ Weakened

Important notice

Summary information

- This announcement contains summary information about Computershare and its activities current as at the date of this announcement.
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Financial data

- Management results are used, along with other measures, to assess operating business performance. The company 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 adjustments are made on the same basis as in prior years.
- The non-IFRS financial information contained within this document has not been reviewed or audited in accordance with Australian Auditing Standards.
- All amounts are in United States dollars, unless otherwise stated.

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