ASX **Announcement**

Date: 28 February 2012

Objective Corporation Half Year Results

Objective Corporation (ASX: OCL), a specialist provider of content, collaboration and process management solutions, today announced a 139% jump in net profit after tax to a record $2.8 million for the six months to 31 December 2011 (FY11 H1: $1.2 million).

Revenue was $20.2 million (FY11 H1: $20.9 million). The strong Australian dollar appreciated an average of 9% against the pound sterling and as a result negatively impacted UK revenue.

During the current period, the Company bought back a total of 20 million shares at 20.75 cents per share at a total cost of $4.2 million. Given that this transaction was completed on the 21st December 2011, the earnings per share benefit of the buyback will be realised in the second half of FY12 and beyond.

The company achieved a strong operating cash flow of $6.5 million in the half. At 31 December 2011, and after settling the buyback transaction, the company had $11.6 million in cash and cash equivalents and no debt.

Consistent with prior years, an interim dividend was not declared, however the company expects to return to declaring franked dividends with the full financial year results.

Financial Summary

Results summary for half year ended	**31 Dec 2011 $m**	**31 Dec 2010 $m**	**% Change**
Revenue	20.2	20.9	(4%)
Net profit after tax	2.8	1.2	139%
Asia Pacific revenue	16.6	16.7	(1%)
European revenue	3.1	3.6	(14%)
Earnings per share	2.4 cps	1.0 cps	140%
EBITDA	3.7	1.8	106%
R & D Expense	4.5	4.6	(2%)
No interim dividend was declared			

Objective Corporation

Objective Corporation (ASX:OCL) is an established leader and specialist provider of content, collaboration and process management solutions for the public sector. Its solutions empower public sector effectiveness, efficiency and transparency, helping governments deliver better public sector outcomes at a lower cost to the community.

www.objective.com

Objective

Mr Tony Walls, CEO, Objective Corporation said: "Our first half results are solid and I am pleased that strong cash flows and prudent cost control delivered a record first half profit whilst still maintaining our substantial investment in research and development.

"Whilst revenue growth was not a feature of the current half, the Asia Pacific region again performed solidly and our European operation returned to profit, despite the on going headwinds of the UK Government's austerity program."

Operational Highlights

The company was awarded a strategic long-term contract with the Australian Customs and Border Protection Service to rollout an enterprise-wide ECM solution for 6,000 users. During the half, the company also welcomed many new customers including the South Australian Courts Administration Authority, Australia Pacific LNG and London's Tower Hamlets Council.

The company's research and development continued at a pace. R&D investment was $4.5 million, approximately 22 per cent of revenue (FY11 H1: $4.6 million) and substantially above the industry average.

Our Customers are recognising compelling value from the results of our commitment to R&D, with an unprecedented number of customers around the globe upgrading to Objective ECM 8.

Over recent years the company has invested heavily in cloud based solutions. Today, Objective boasts one of the UK's largest government focused cloud based applications, with over 5,000 public sector employees across 200 public sector organisations using the solution to deliver an average 33% efficiency gain in collaborative policy development and community consultation. Over the last year, this application was also used by over 580,000 UK citizens to contribute over 2 million comments on 23,000 consultation and engagement events, thereby ensuring that key stakeholders, the general public and local communities are engaged in the decision making processes of government.

At a strategic level, we have held a long term vision and desire to securely connect the information silos of government. Public sector culture and technology have now matured sufficiently and at our international customer conference, Collaborate 2011, the company unveiled the Objective Connect vision. Objective Connect is a unique cloud based suite of applications that enables secure, accountable and auditable information sharing and process management across government agency boundaries.

Outlook

Mr Walls said: “The company has an outstanding reputation for delivering results for customers and our competitive position appears to be strengthening.

“We remain cautiously optimistic for the next half as we continue to invest in a stronger sales and marketing engine.

“A significant focus for the remainder of this financial year is to bring Objective Connect to life in all regions and we are confident that it will be game changing for all of our stakeholders.”

The board and management of Objective Corporation would like to thank the company’s customers, employees and shareholders for their commitment and valuable contributions to the success of the company.

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Contact: Objective Corporation Ph: +61 2 9955 2288 Fax: +61 2 9955 5011

Email:enquiries@objective.com