Reckon Limited

Results Presentation

Half Year Ended
June 2008

Clive Rabie – Group CEO
Chris Hagglund – Group CFO
Brian Armstrong – CEO Professional Division
Gavin Dixon – CEO Business Division

QuickBooks® Quicken® Reckon Tools Reckon Elite aps Accountable Technology SHELCO .com.au

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Overview

- Reckon is taking strong strides towards achieving its mission: “to be the leading Australian provider of best of breed:
  - Accounting Software and solutions suitable up to 30 concurrent users
  - Practice Management Solutions for the accounting industry & other professionals
  - Content and service provider for the accounting industry
  - Personal wealth management solutions”

- Our results and balance sheet testify to the success of our ongoing strategy:
  - To build on our organic growth
  - To expand our product and service offering to existing clients
  - To grow by acquisition

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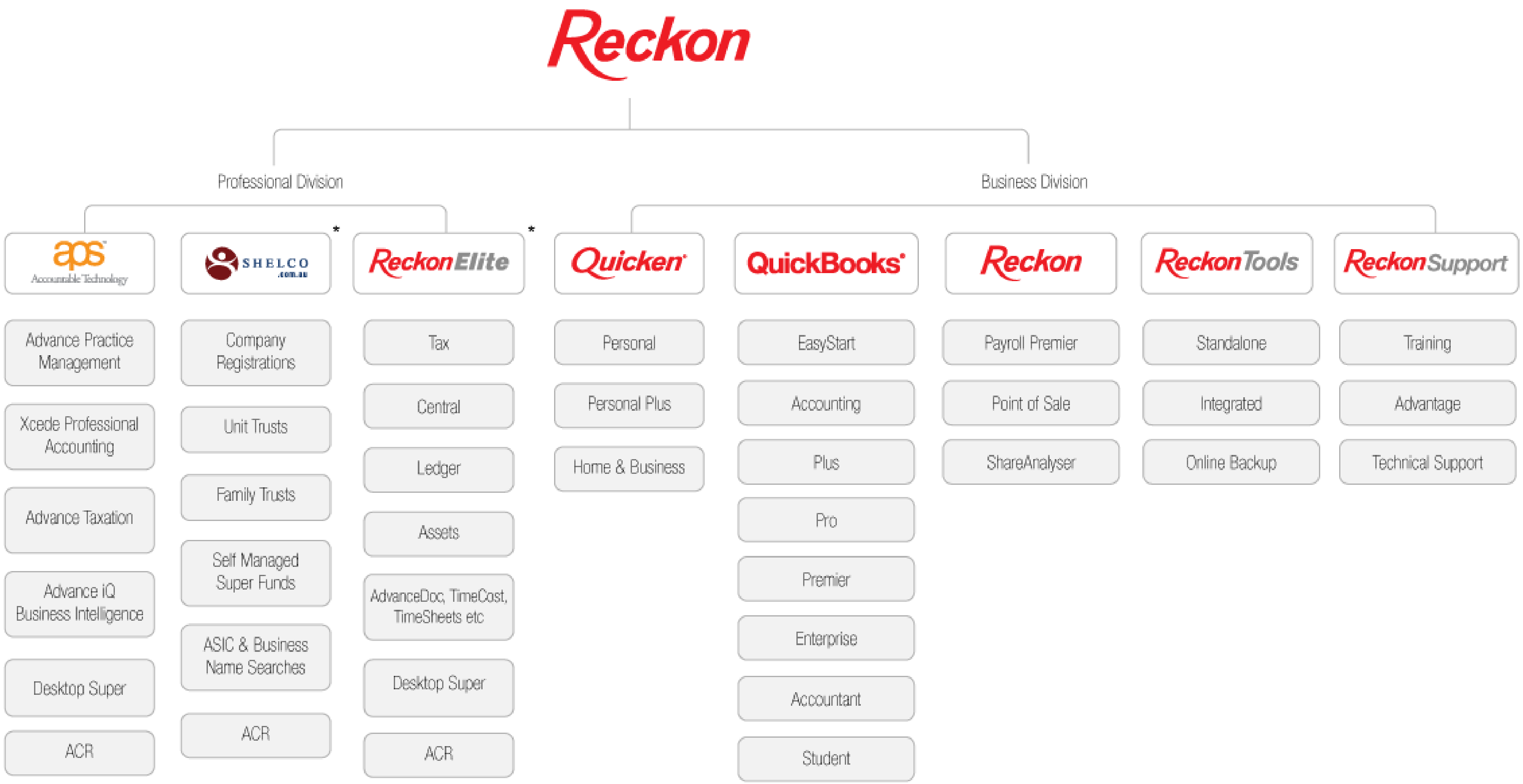

*Products managed and reported under the business division

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Performance Highlights – 6 month ended June 2008

Reckon Group

Revenue	**up 11%**	**to $31.5m**
EBITDA	**up 15%**	**to $9.4m**
NPAT	**up 12%**	**to $5.6m**

Professional Division

Operating revenue	**up 13%**	**to $10.6m**
EBITDA	**up 29%**	**to $2.6m**

Business Division

Operating revenue	**up 10%**	**to $20.6m**
EBITDA	**up 10%**	**to $6.8m**

Performance Highlights – 6 month ended June 2008

- Operating cash flow **up 20%** to $8.2m
- Interim dividend of **2.5 cents** per share
- Dividend franked to **100%**
- EPS **growth 12%** to 4.2 cents

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6 month trends over last 5 years

	2004	2005	2006	2007	2008
Revenue	18.8m	21.2m	23.2m	28.4m	31.5m
Cumm Growth					**68%**
EBITDA	4.2m	5.5m	6.7m	8.2m	9.4m
Cumm Growth					**124%**
NPBT	4.1m	5.2m	5.8m	6.7m	7.5m
EPS	2.2 cents*	2.5 cents	3.3 cents	3.8 Cents	4.2 Cents
** Normalised for tax*					

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Margin trends over 4 years

	2005	2006	2007	2008
EBITDA (pre R&D and Royalties)	8.9m	10.0m	11.8m	13.2m
Margin	**40%**	**43%**	**42%**	**42%**
EBITDA	5.5m	6.7m	8.2m	9.4m
Margin	**25%**	**29%**	**29%**	**30%**

The current year has been positively impacted by:

- Significantly lower 3rd party product sales in the Professional Division i.e. higher margins

The current year has been negatively impacted by:

- Higher marketing and development for QuickBooks 2008 QBi series
- No profit contribution from Business Division in NZ as yet – focus on market share growth

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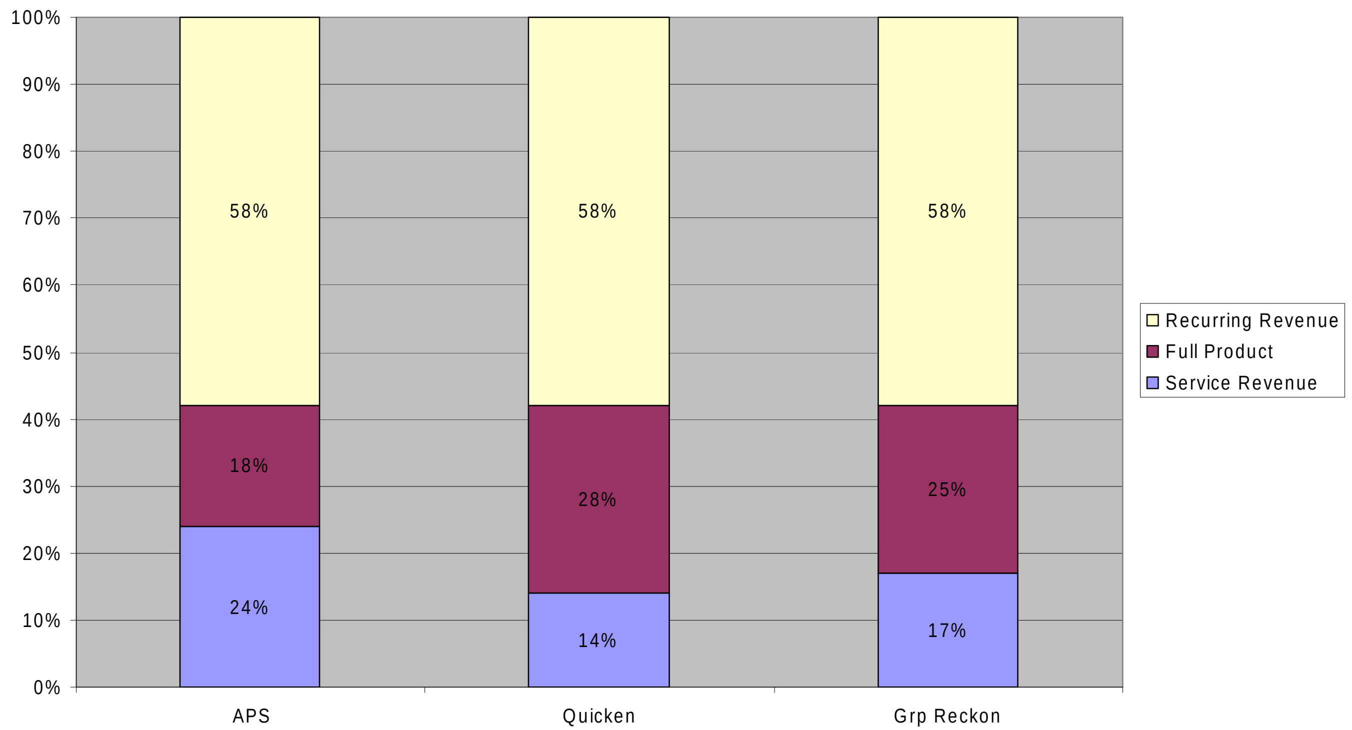
Cash Flow Highlights – half year ended June 2008

	2008	2007	
Cash Balance at June 2008	$15.2m		
Operating cash flow[1]	$8.2m	$6.8m	+20%
Acquisitions	$0.1m	$2.3m	
Development Cost Expenditure[2]	$2.3m	$1.8m	
Fixed Asset Acquisitions	$0.3m	$0.3m	
Dividends Paid	$4.0m	3.3m	

1 Tax payments will again be 2nd half weighted

2 Higher costs reflect additional expenditure on APS tax product and Shelco company secretarial software

Revenue Breakdown – year ended June 2008



Prior year recurring revenue	57%	57%	57%

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Acquisition Update

- On 10th June 2008 the group announced that it had signed a cooperation agreement in respect of the potential acquisition of the Corporate Services and Cost Recovery business of Espreon Limited
- The Corporate Services business is a provider of documentation for company formation, secretarial services, trust and self managed super funds trust deeds. This is a range of products and services similar to Reckon's Shelco business
- The Cost Recovery business is a provider of technologies for the capture, reporting and billing of clients expenses.
- Should the acquisition proceed the approximate cost is not expected to exceed $26 million to be funded out of cash and debt
- Discussions continue.

Professional Division

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Professional Division – half year ended June 2008

	2008	2007
Operating Revenue	$10.6m	$9.4m
Operating revenue growth	13%	
New sales & service revenue growth	8%	
Recurring revenue growth	16%	
EBITDA	$2.6m	$2.0m
EBITDA growth	29%	

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Professional Division - 2008 Highlights

- Strong organic growth
- Continued success with top 300 firms
- Two Big Four firms successfully implemented
- Consolidated our position as the supplier of choice to leading firms
- Significant demand for additional services by large clients
- Successful launch of client management strategy
- Strong growth in Desktop Super

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Professional division – Half year ended June 2008

Software revenue

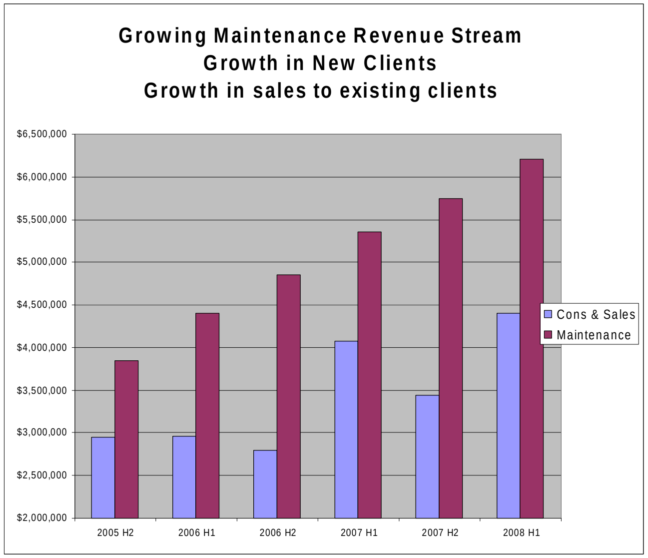
- Continued growth in all geographies on the back of a strong previous half
- Australia showing particularly strong growth

Consulting revenue

- Starting to see the contribution from the expanded consulting team in Australia

Maintenance revenue

- Reflects continued growth of market share in all Geographies



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Professional Division - Strong revenue growth

Australia

- Strong new business – up 23%
- 52 new firms switched to APS
- Major wins include 9 New Top 100 Firms
- Strong uptake of Desktop Super – 35 new firms
- 86% of clients using 3 or more products

New Zealand

- Major win – Big 4 firm – all core products
- 9 new firms switched to APS in NZ including 2 new Top 100 firms
- Product distribution extensions across all key clients
- 85% of clients using 3 or more products

United Kingdom

- Continued growth in UK business
- 3 new firms in UK, including a Top 20 firm – from key competitor
- Interwoven Gold Certified Partner – acknowledges APS as the key "go to market partner" for the accounting profession

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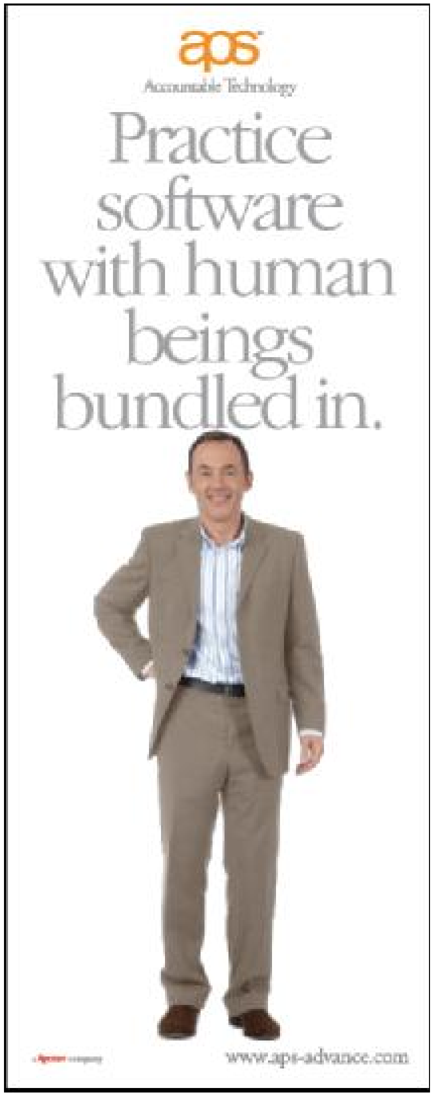
APS Integrated Solution.

Integrated Compliance Solutions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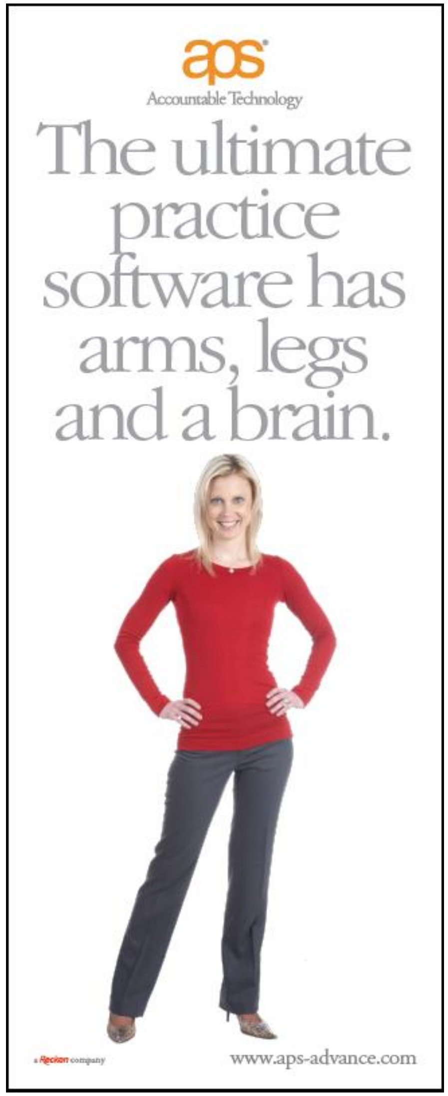
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Business Division

SHELCO.com.au ReckonElite Quicken QuickBooks Reckon ReckonTools ReckonSupport

Business Division – half year ended June 2008

	2008	2007
Operating Revenue	$20.6m	$18.7m
Operating revenue growth	10%	
Recurring revenue growth	11%	
Full product growth	7%	
Service revenue growth	12%	

EBITDA	$6.8m	$6.2m
EBITDA growth	10%	

Business Division - 2008 1st Half Highlights

- Successful launch of QuickBooks 2008 QBi Series
  - Growth of revenue in the Enterprise space +24%
- Top Australian Software awards won in QuickBooks, POS and Personal
- Continued success with Elite products
  - Over 193 practices switched to Elite Accountants' Suite
- Refinement of business model for NZ 2008 with strong growth in market share
- Further ReckonTools released

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Business Division Key Strategies

- Leverage our advantages with the release of QuickBooks 2008 QBi Series
  - Enterprise Solutions
  - Industry Solutions

- Leverage recent acquisitions
  - Release Shelco product integrated into APS and Elite
  - Release company secretarial products in to market
  - Expand market share and recurring revenue in NZ

- Quicken 2009 Product update
  - Significant new enhancements

SHELCO .com.au ReckonElite Quicken QuickBooks Reckon ReckonTools ReckonSupport

Future Opportunities

- Continued organic growth
- Professional division – Order book remains strong
- Business division focus – leverage QB[i]
- Improve results from NZ Business Division
- Roll out Shelco company secretarial products
- Roll out of integrated compliance offering
- Better leverage our balance sheet

Questions

Thank you