Results Presentation

Half Year Ended
June 2009

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

Overview

- Reckon is taking strong strides towards achieving its mission: "to be the leading Australian provider of best of Class":
  - Accounting Software Solutions
  - Personal wealth management solutions
  - Practice Management Solutions for professionals
  - Content and service provider for the professionals
  - Expense 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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Performance Highlights – 6 months to June 2009

Reckon Group

Operating revenue	up 39%	to $43.3m
EBITDA*	up 37%	to $12.9m**
NPAT*	up 25%	to $7.0m

Business Division

Operating revenue up 25% to $25.7m
EBITDA* up 23% to $7.5m

Professional Division

Operating revenue up 36% to $14.4m
EBITDA* up 31% to $6.1m

BillBack USA

Operating revenue $3.2m
EBITDA* $0.9m

* Excludes restructure costs (all pages)
**Includes central administration costs of $1.6M

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Performance Highlights – 6 months to June 2009

- Operating cash flow $9.8m (+19%)
- Operating cash flow before restructure costs and tax payments (+43%)
- Balance sheet effectively not geared
- Interim dividend of **3.0 cents** per share (+20%)
- Dividend franked to **100%**
- Dividend payout ratio is **65%**
- EPS **growth up 25%** to 5.2 cents (excl restructure costs)

Major focus on expense management – 6 months to June 2009

	Marketing	Staff costs & other overheads	
Half year ended June 2008	$3.0m	$13.7m	
Acquired – Corporate Services & Billback	$0.4m	$5.7m	
Impact of exchange rates	$0.1m	$0.3m	
Half year ended June 2008 restated	$3.5m	$19.7m	
Cost reductions	($1.4m)	($1.0m)	**-10%**
Half year ended June 2009	$2.1m	$18.7m	

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Business acquisition restructure costs – 6 months to June 2009

	2009
Surplus premises	$0.5m
Staff redundancy and other staff costs	$0.6m
Other residual costs	$0.1m
TOTAL	$1.2m

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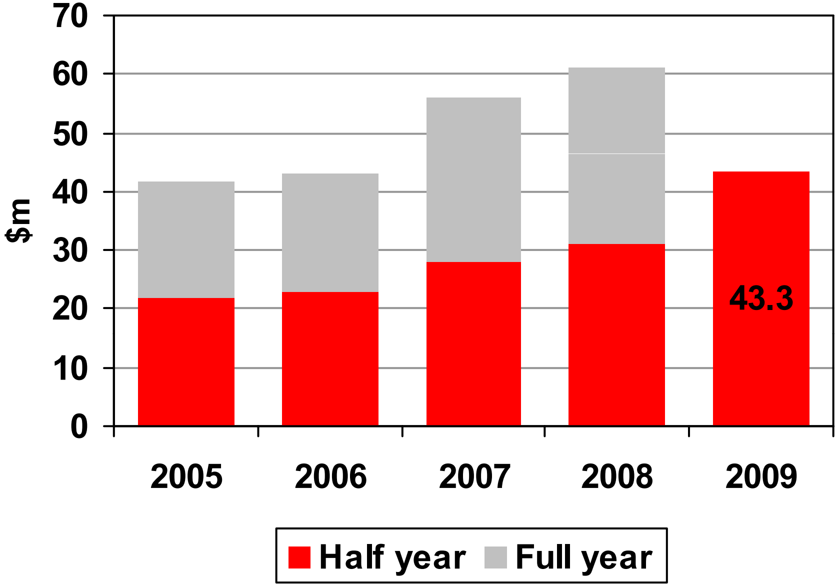
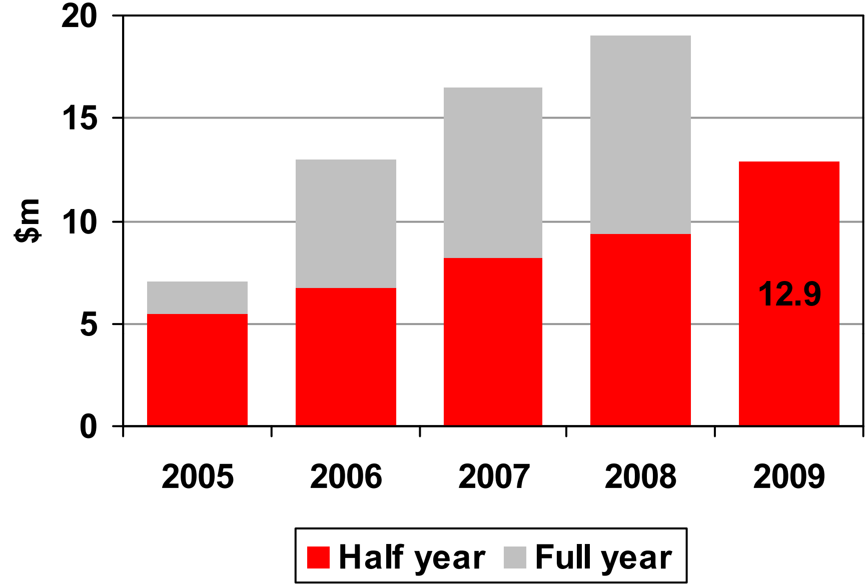
6 month trends over last 5 years

Operating revenue

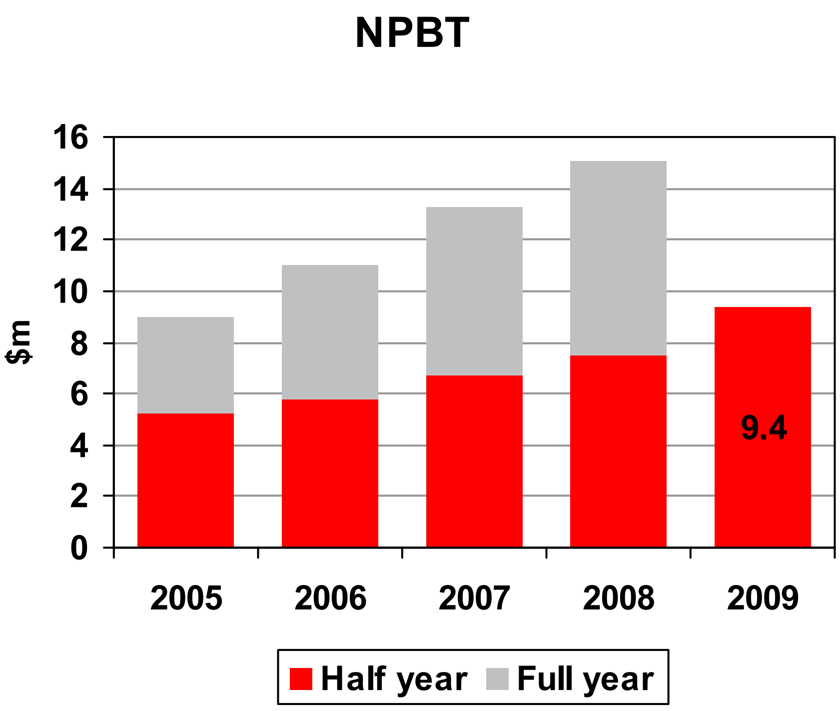


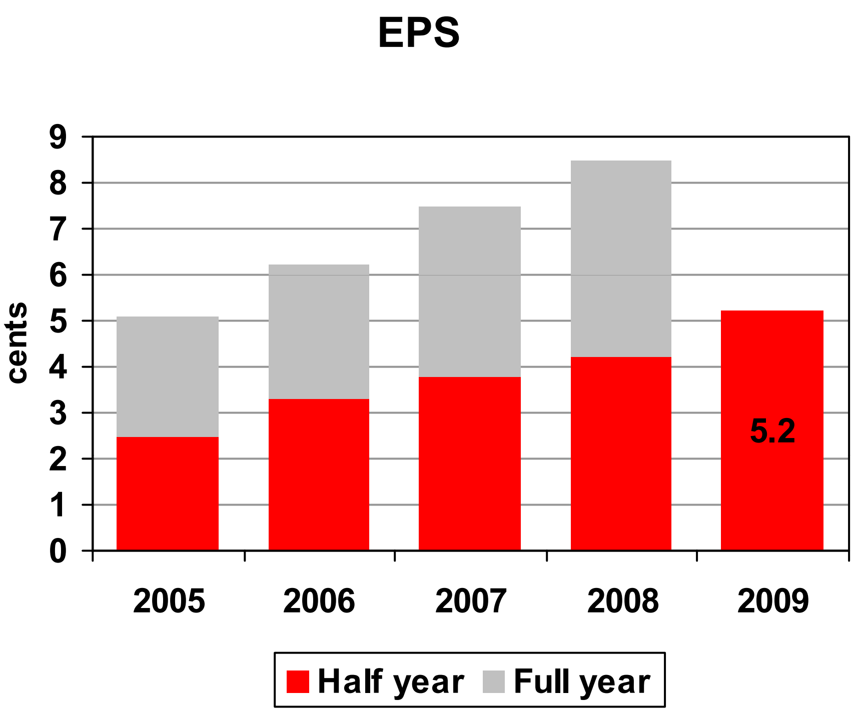
EBITDA



Cumm Growth	99%	Cumm Growth	132%

6 month trends over last 5 years





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Margin trends – 6 months to June 2009

	2005	2006	2007	2008	2009
EBITDA	5.5m	6.7m	8.2m	9.4m	12.9m
Margin	**25%**	**29%**	**29%**	**30%**	**30%**

The current year has been impacted by:

- The inclusion of the Corporate Services business. This business incurs a proportionately higher level of COGs due to the fees paid to ASIC for new company registrations.
- The inclusion of the Billback business. This business also supplies hardware and consequently it too incurs a higher level of COGs than the existing APS business.

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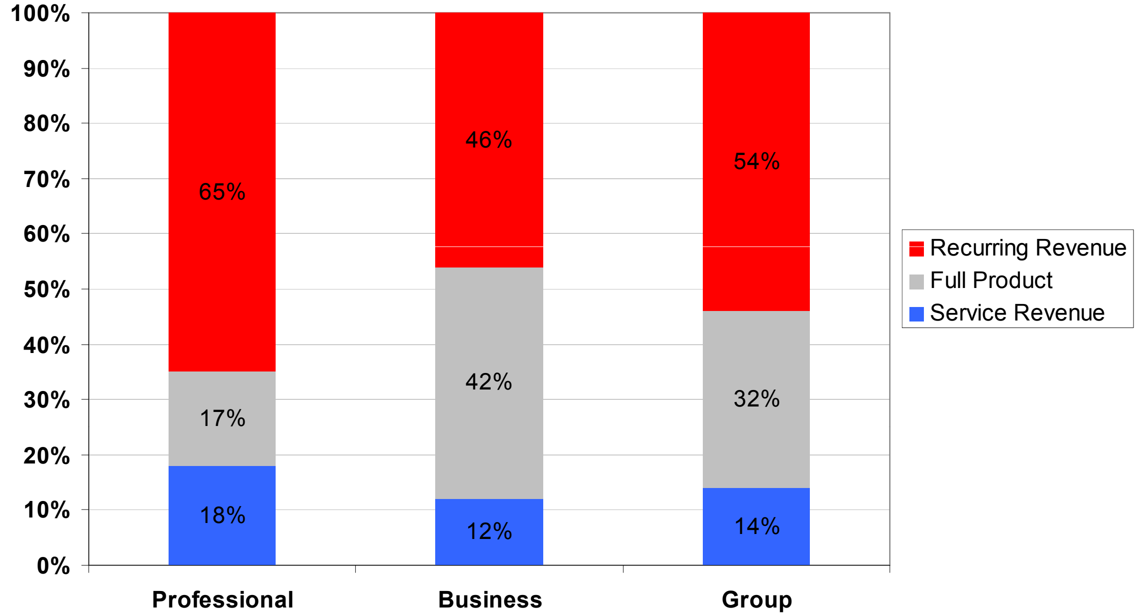
Cash Flow Highlights – 6 months to June 2009

	2009	2008	
Cash/(Borrowings) at June 2009 / Dec 2008	($0.6m)	$16.1m	
Operating cash flow	$9.8m	$8.2m	**+19%**
Operating cash flow before restructure costs	$10.3m	$8.2m	**+25%**
Operating cash flow before restructure costs & tax paid	$12.2m	$8.5m	**+43%**
Acquisitions	$18.5m	$0.1m	
Development Cost Expenditure[1]	$3.2m	$2.3m	
Fixed Asset Acquisitions	$0.5m	$0.3m	
Dividends Paid	$4.6m	$4.0m	

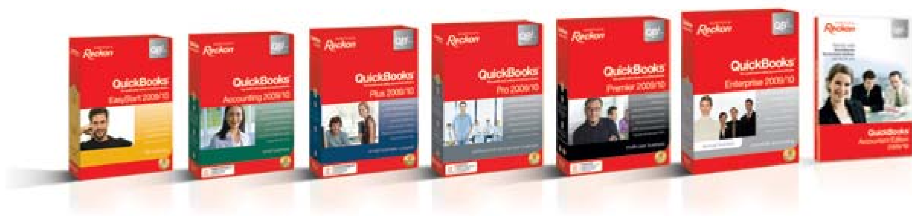
1 Higher costs reflect additional expenditure on APS tax product, company secretarial software and Billback

Revenue Breakdown – 6 months to June 2009



Prior year recurring revenue	59%	58%	58%

Business Division



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Business Division – 6 months to June 2009

	2009	2008
Operating revenue	$25.7m	$20.6m
Operating revenue growth	25%	
Underlying business revenue decline	(6%)	
EBITDA	$7.5m	$6.1m
EBITDA growth	23%	
Underlying business EBITDA growth	1%	

QuickBooks Quicken ReckonTools ReckonElite ReckonShelco ReckonEspreon aps Accountable Technology

Business Division – 6 months to June 2009

	Reckon	Market
Underlying business revenue decline	(6%)	
QuickBooks Enterprise	24%	
Elite	21%	
Direct revenue growth	7%	
QuickBooks (excl Enterprise)	4%	
Retail revenue decline	(34%)	
GFK - Retail Sell Thru Units	(16%)	(17%)
GFK – Mix and Easystart impact	(10%)	(7%)
Estimated effect of destocking	(8%)	

Business Division (Corporate Services) – 6 months to June 2009

	2009
Operating revenue	$6.3m
EBITDA	$1.4m
New company formations (ASIC)	(8%)

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Business Division - 2009 Highlights

- Release of QuickBooks 2009 QB^{i} Series
  - Consolidating 2008 QB^{i} release
  - Scalable to mid-size enterprises
  - Enhanced security to enable QuickBooks Online release
- Strong growth from QuickBooks customer base especially Enterprise
  - Revenue Growth 24%
- Continued success with Elite products
  - Revenue Growth 21%
  - 90% net promoter score
- Espreon Corporate Services fully integrated into Australian operations by mid February
  - Launch of Reckon Docs Online (April) and Reckon Docs Desktop (June)
- Launch of QuickBooks Online in Aust & NZ

QuickBooks Online

QuickBooks Quicken ReckonTools ReckonElite ReckonShelco ReckonEspreon aps Accountable Technology

Key 2009 Strategies

- Leverage QuickBooks 2009 QB^{i} Series release
- Leverage scalability of QuickBooks Enterprise Edition
- Leverage launch of QuickBooks Online service
- Continue to grow Espreon Corporate Services market share
  - Complete branding change to Reckon Docs
- Launch Quicken 2010
  - Provide smooth upgrade path for Microsoft Money users

Professional Division
(excludes BB USA)

aps™
Accountable Technology

BILLBACK
Expense Management

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Professional Division – 6 months to June 2009

	2009	2008
Operating revenue	$14.4m	$10.6m
Operating revenue growth	36%	
Underlying business revenue growth	8%	
EBITDA	$6.1m	$4.6m
EBITDA growth	31%	
Underlying business EBITDA growth	8%	

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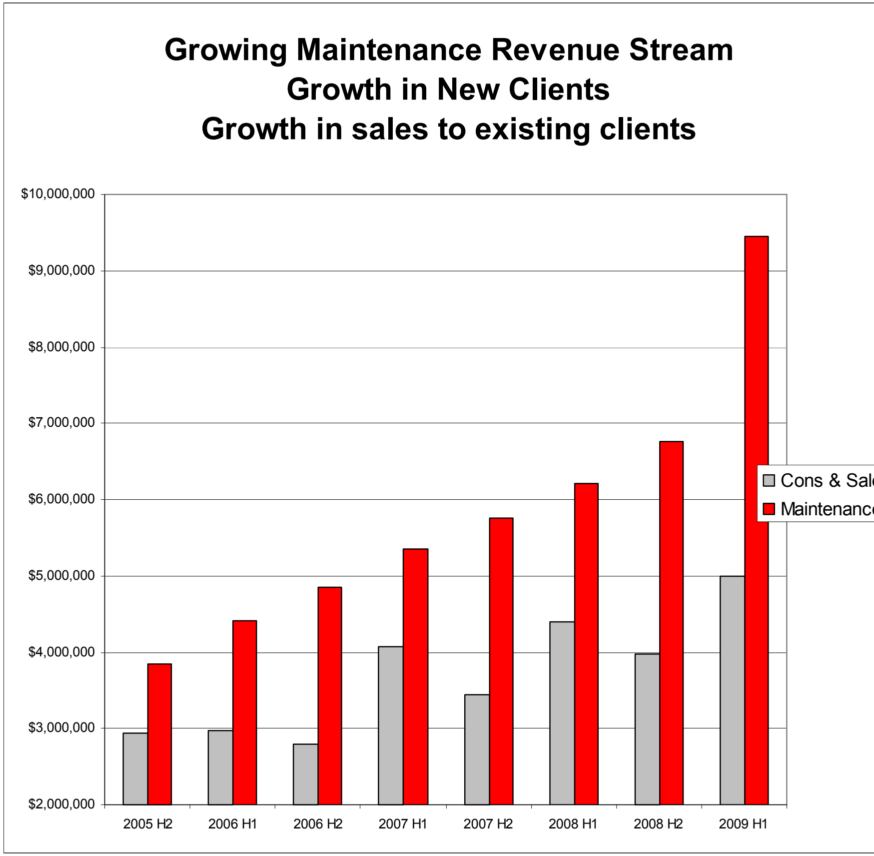
Professional Performance – 6 months to June 2009

Software revenue
- Reflects impact of continued new business growth
- Maintained a strong pipeline
- Reflects success of adding new products
- Addition of BB UK and BB Aust

Consulting revenue
- Reflects exclusivity of consulting services
- Reflects new business growth and high take up of compliance and productivity software and services

Maintenance revenue
- Addition of BB UK and BB Aust
- Reflects continued strong new business sales



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Professional Division - 2009 Highlights

- Continued success with high demand for new products
- Continued strong pipeline and order book
- Supplier of choice to leading firms – continue to win majority of leading firms' considering a solution or platform change
- Significant growth in client base – high demand for additional services
- Client relationship management strategy implemented for Billback
- Integration of Billback Australia and UK into APS operations
- Integration of Solutions 2001 (Imaging & Scanning) into APS operations

aps™ Accountable Technology

Key 2009 Strategies

- Further expansion of integrated product suite
- Further growth in market share
- Leverage APS & Billback opportunities in all countries
- Continue focus on existing clients
- New Products available in 2009
    - Advance Company Register
    - .Net Tax
    - Billback Expense Management & Print solutions
    - Workflow & Resource Planning
    - Digital imaging
    - Workpaper management

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wm
Workpaper Management
QuickBooks Financial & Payroll
piq
Business Intelligence
rp
Resource Planning
xpa
Professional Accounting
dm
Document Management
pm
Practice Management
tax
AUS
Tax
NZ
Compliance & Workflow
crm
Client Relationship Management
AUS
Desktop Super
Business Process Automation
ds
Expense Management
AUS
Company Secretarial
AUS
Digital Imaging
bpa
em
acr
di
Microsoft Server
Microsoft SQL Server

BillBack USA – 6 months to June 2009

	2009	
Operating revenue	$3.2m	
EBITDA	$0.9m	
Maintenance Revenue		$1.9m
New Revenue		$1.3m

On 1st July BB USA merged with NQ USA. Reckon owns 67% of JV

Rationale:

•Merged 3rd & 4th largest players
•Best of breed product with desktop and embedded solution for cost management and cost recovery
•Established management team in USA
•Focused on the US legal industry

Future Opportunities

- Continued organic growth
- Professional division – leverage full product suite including cost management solution opportunities
- Business division – continue to leverage enterprise and online offerings
- Further roll out of integrated compliance and secretarial offerings
- Bed down US JV
- Seek out other suitable acquisitions
- Take advantage of ungeared balance sheet

Questions

Thank you