



ASX

Announcement

1 February 2011

New Partner for BillBack United Kingdom

Reckon Limited is pleased to announce today that its United Kingdom subsidiary, BillBack Systems (UK) Limited ("BillBack"), has concluded a new agreement with nQueue Inc ("nQueue") in the United Kingdom.

Following upon the success of a similar venture in the United States in July 2009, the Reckon Group decided to replicate the model in the United Kingdom.

Effective from 1 January 2011 the Reckon Group holds 75% of the shares in Billback and nQueue holds 25% of the shares.

BillBack will change its name to nQueue BillBack Limited.

As consideration for its shareholding in the United Kingdom business, nQueue swapped 7% of its membership interest in the United States business, such that the Reckon Group now holds a 74% interest and nQueue holds a 26% interest in the United States business.

As with the United States model, the deal brings together the best of the parties' cost recovery and cost management products and service offerings and gives the combined business greater scale.

Reckon Limited Group CEO, Clive Rabie, said: "It makes sense to replicate the USA model of combining nQueue's excellent management and domain expertise with our track record of product excellence. We now have the opportunity to bring to market the best combination software developed over the past 18 months

As with the USA business, it will be business as usual for all customers with the added benefit of a combined best of breed product and service offering in the future.”

The size of the transaction is not material to the expected performance of the Reckon group for financial year 2011.

For further information, please contact:

Mr Chris Hagglund

Group CFO

Reckon Limited

(02) 9577 5414

Mr Clive Rabie

Group CEO

Reckon Limited

(02) 9577 5946