



Results Presentation

Year ended December 2011

To be read in conjunction with the Appendix 4E and the Accounts

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Quicken®

ReckonElite

ReckonDocs

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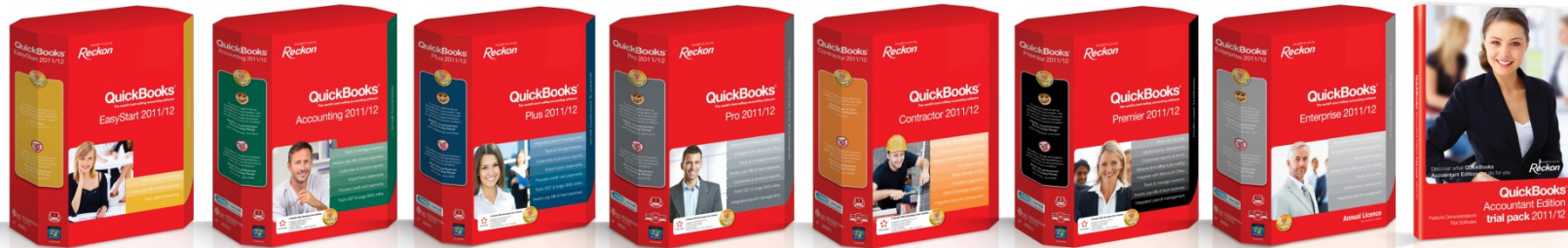
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Performance Highlights – Year Ended December 2011

Revenue	up 1% to \$91.3m
EBITDA (excl relocation)*	up 10% to \$33.1m
NPAT (excl relocation)*	up 6% to \$18.3m
EPS (excl relocation)*	up 8% to 13.4cents

* Non-IFRS financial information



Reckon Group

	1 st half	2 nd half	Full year
Operating revenue	\$46.7m	\$43.5m	\$90.2m
% growth	-%	-%	-%
% split	52%	48%	
EBITDA (excl relocation costs)*	\$16.6m	\$16.5m	\$33.1m
% growth*	8%	11%	10%
% split*	50%	50%	
EBITDA margin*	36%	38%	37%

* Non-IFRS financial information

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Reckon Group – Major revenue movements

	Growth	\$m	\$m
2010 Operating revenue			90.1
Business Division – direct Australia	+6%	1.9	
Business Division – Corporate Services	+5%	0.8	
Professional Division - Australia	+5%	1.0	
Foreign exchange impact		(1.2)	
Business Division – retail & NZ upgrades	-33%	(2.9)	
Other		0.5	
2011 Operating revenue			90.2



Margin trends

	2011*	2010	2009	2008	2007
EBITDA	33.1m	30.2m	25.1m	19.0m	16.5m
Margin	37%	33%	29%	31%	29%

* Excluding relocation costs -Non-IFRS financial information

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Divisional results (excl FX impacts)

	Growth	2011	2010
Business Division operating revenue	-%	\$55.8m	\$56.0m
Business Division EBITDA	-%	\$20.6m	\$20.7m
EBITDA margin		37%	37%
Professional Division operating revenue	+5%	\$25.6m	\$24.5m
Professional Division EBITDA	+21%	\$12.3m	\$10.1m
EBITDA margin		48%	41%
nQueueBillback Div operating revenue	+5%	\$8.8m	\$8.4m
nQueueBillback Division EBITDA	+3%	\$3.5m	\$3.4m
EBITDA margin		40%	40%

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Divisional results (reported)

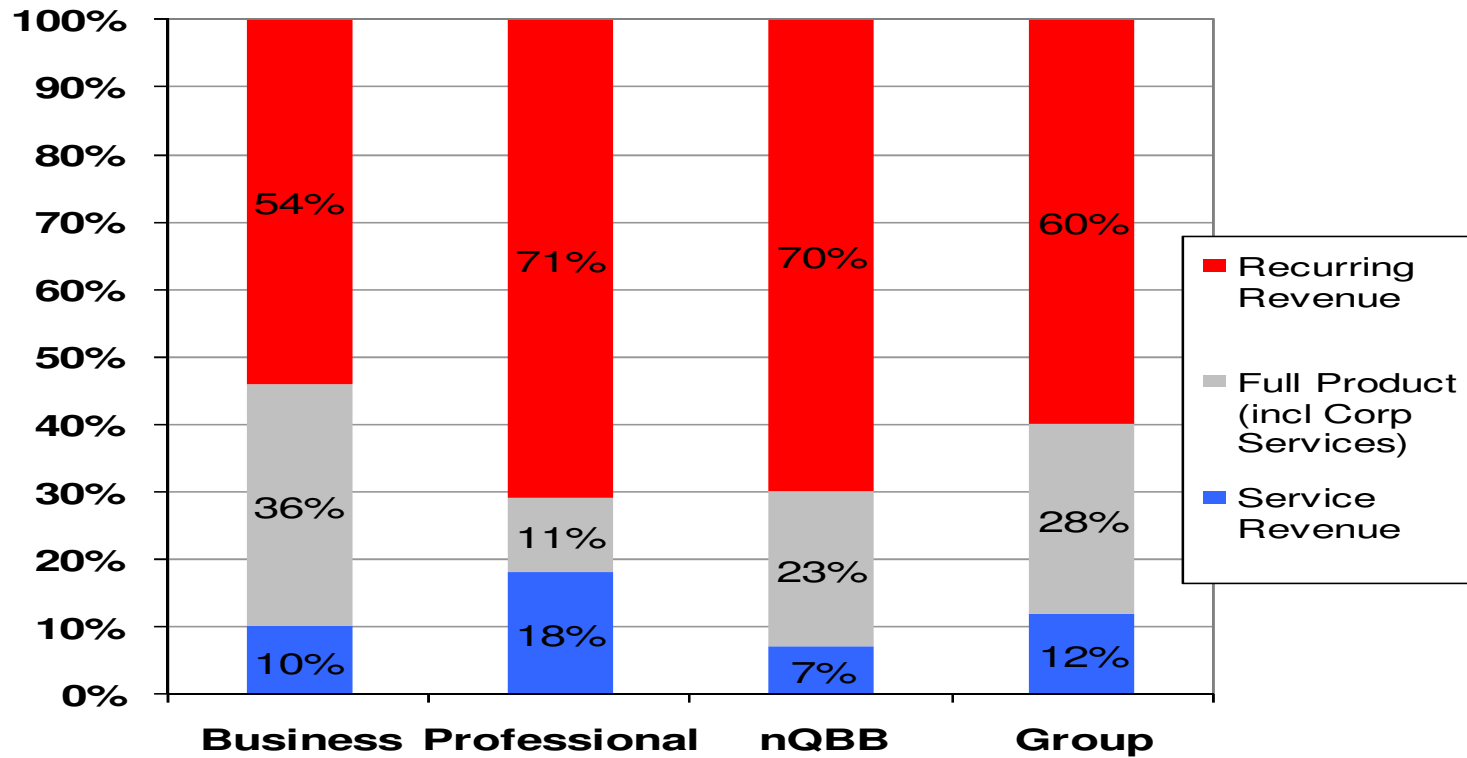
	Growth	2011	2010
Business Division operating revenue	-%	\$55.8m	\$56.1m
Business Division EBITDA	-1%	\$20.6m	\$20.7m
Professional Division operating revenue	+3%	\$25.6m	\$24.7m
Professional Division EBITDA	+20%	\$12.3m	\$10.2m
nQueueBillback Div operating revenue	-6%	\$8.8m	\$9.3m
nQueueBillback Division EBITDA	-8%	\$3.5m	\$3.8m

Cash Flow Highlights

	2011	2010	2009
Cash at Dec 2011 / Dec 2010	\$4.7m	\$8.1m	
Operating cash flow	\$26.8m	\$28.2m	\$18.9m
Development cost expenditure	\$7.4m	\$7.6m	
<i>Amortisation of development costs & IP</i>	<i>\$7.0m</i>	<i>\$6.4m</i>	
Investment in Melbourne IT ¹	\$7.3m	-	
Fixed asset acquisitions ²	\$1.8m	\$1.4m	
Share buyback	\$1.4m	-	
Treasury shares - long term incentive plan ³	\$1.4m	\$0.4m	
Dividends paid ⁴	\$10.6m	\$9.9m	

1. Interim dividend only included the 2011 results
2. Additional spend is due to North Sydney fit out & data centre move
3. Additional spend is due to the very long term incentive plan announced at the AGM (P&L impact is over 7 to 9 years)
4. 2011 final dividend maintained at 4.5cents (90% franked)

Revenue Breakdown

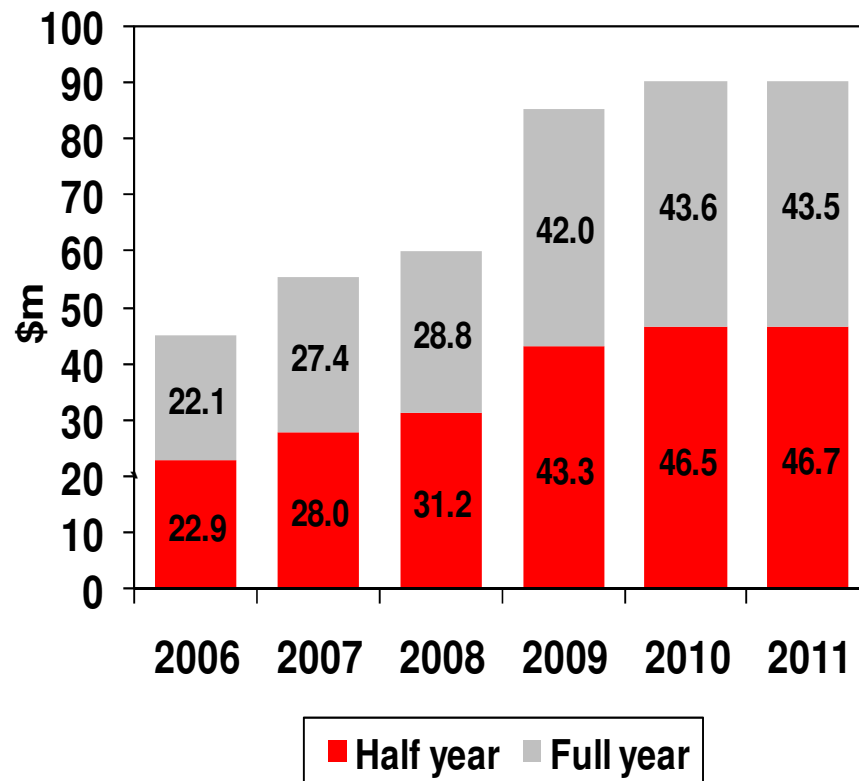


Prior year recurring revenue

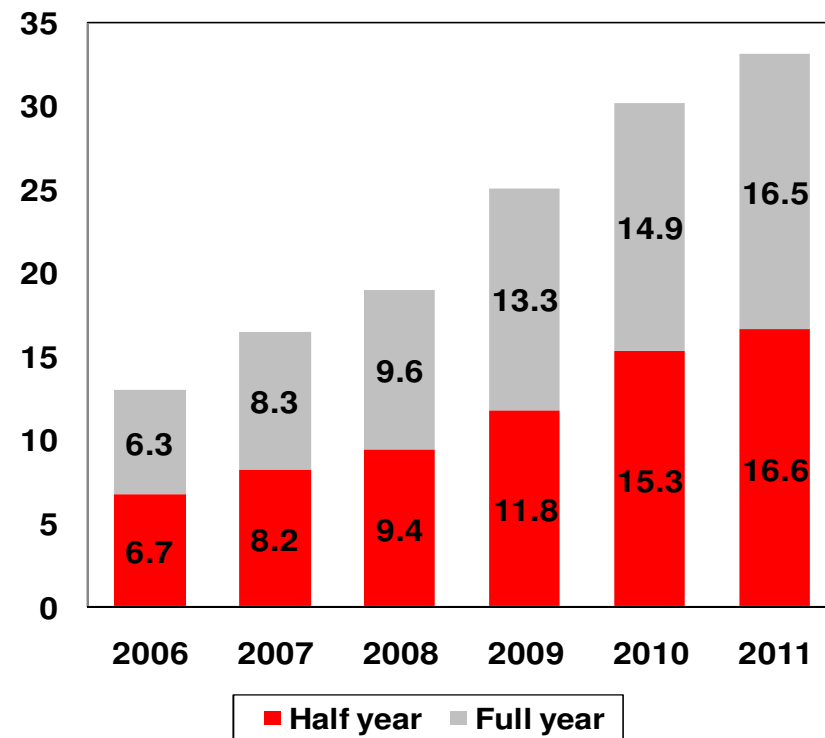
52%	71%	66%	59%
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Group trends

Operating revenue

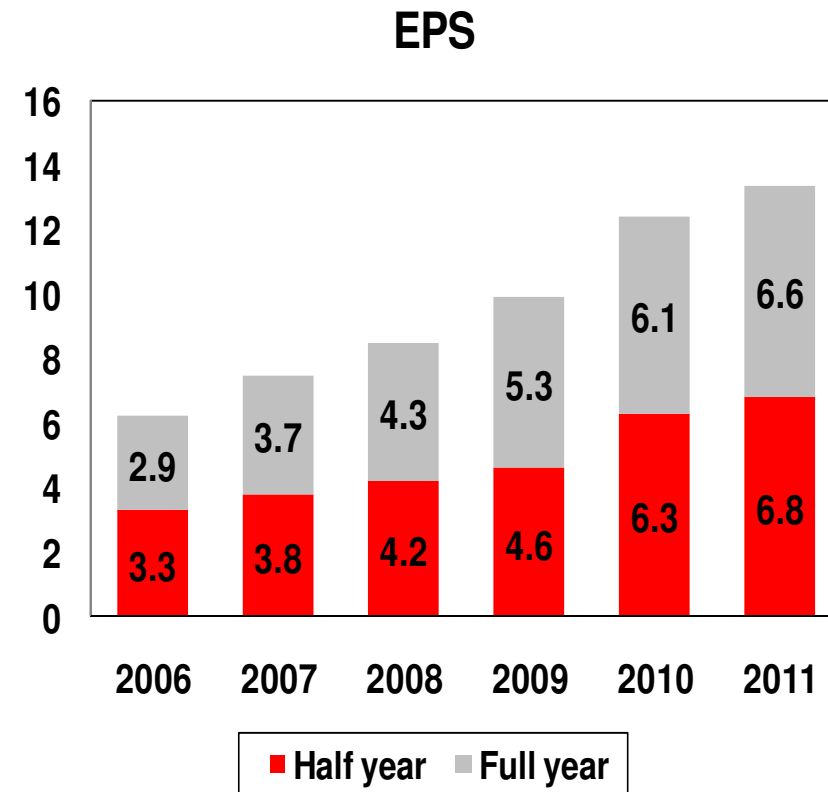
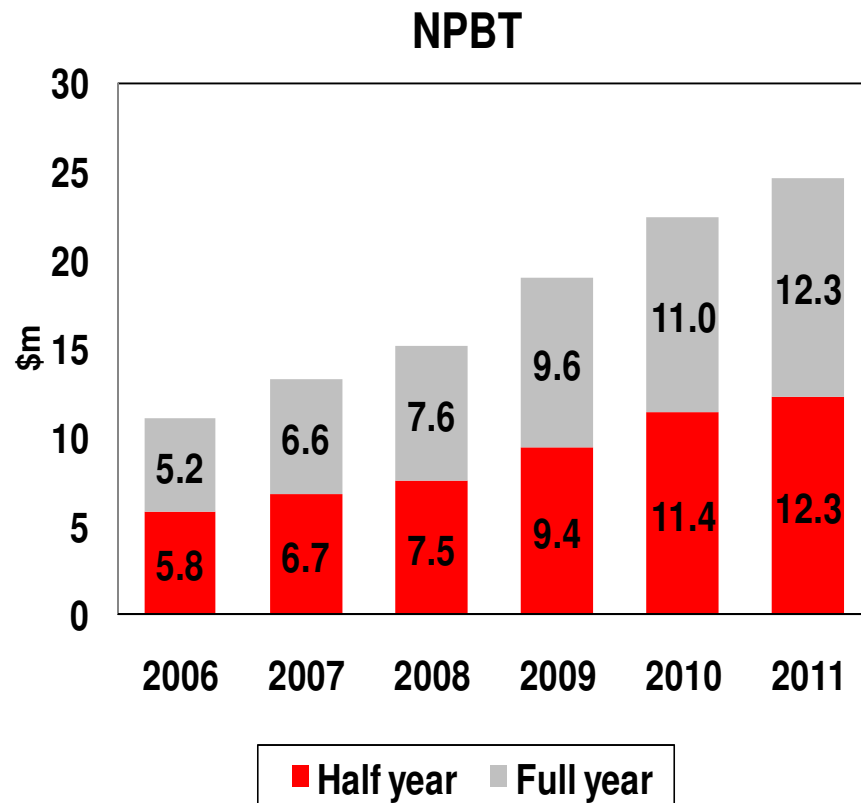


EBITDA

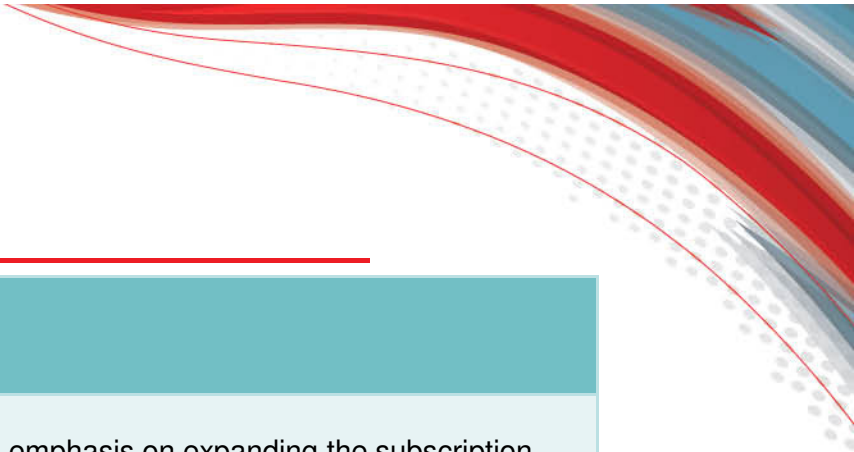


Note: 2011 excl relocation costs (Non-IFRS financial information)

Group trends



Note: 2011 excl relocation costs (Non-IFRS financial information)



Performance	
Divisional revenue	<ul style="list-style-type: none"> Strong unit growth with an ongoing emphasis on expanding the subscription customer base
Direct QuickBooks and Quicken grew by 7%	<ul style="list-style-type: none"> Volume increase 10% Online & enterprise volume increases were most significant Price increase offset by product mix -3% Focus is on subscription products (recurring revenue) at the expense of higher upfront revenue
Retail & NZ upgrades reduced by 33%	<ul style="list-style-type: none"> Market share growth, however weaker sell through in channel and de-stocking impact New Zealand revenue down, impacted by no significant tax changes in 2011
Corporate Services grew by 5%	<ul style="list-style-type: none"> Company formations grew by 8% (market grew by 5%) Superannuation and trust services revenue reduced due to investment uncertainty/weaker self managed superannuation market
Other products grew by 4%	<ul style="list-style-type: none"> Professional partner membership revenue grew by 7% Elite grew by 8%

Opportunities

- Expectations remain for continued strong and steady growth to be maintained in our core products, driven in particular by:
 - High growth rates in the enterprise space
 - High growth rates in online users
 - Continued growth in traditional desktop offerings
 - Annual price increases
 - Offsetting reduced average sell price as we move more towards a subscription model
- Reckon developed online CashBook has been launched targeting entry level users
- Expanded online offerings/features, such as
 - GovConnect
 - Exchange Hosting
 - Web Hosting
 - Domain names
- Focus on harnessing the APS and professional partner relationships to drive recommendations and therefore continued market share growth in:
 - Core business software products and services
 - Company secretarial/corporate services products
- Improved economic conditions – Retail and New Zealand markets

Summary

	<p>Revenue growth of 3% to \$25.6m (up by 5% in base currency) <i>Represents 28% of Group Revenue</i></p> <p>EBITDA growth of 20% to \$12.3m (up by 21% in base currency)</p>
Product Suite	<p>Extensive suite of enterprise level practice software for accounting firms</p> <p>Cost recovery software, print solutions, expense management solutions and other related modules targeted specifically to the legal profession in Australia only</p>
Revenue by Market	<ul style="list-style-type: none"> • Australia 77% • New Zealand 16% • United Kingdom 7%
Revenue by Product Mix	<ul style="list-style-type: none"> • Maintenance 71% • Consulting 18% • Software 11%

Performance

Divisional revenue	<ul style="list-style-type: none"> 29% of revenue derived from new customer sales/additional module rollout, despite difficult market conditions
Australia	<ul style="list-style-type: none"> Australia has had a strong result with the following features: <ul style="list-style-type: none"> New revenue (software & consulting) up 3% Maintenance revenue up 6% EBITDA up 24%
New Zealand	<ul style="list-style-type: none"> New Zealand has had a stronger second half, resulting in full year: <ul style="list-style-type: none"> Revenue up by 3% in base currency Revenue impacted by adverse FX rates (-2% impact)
United Kingdom	<ul style="list-style-type: none"> United Kingdom has had a stronger second half, resulting in full year: <ul style="list-style-type: none"> Revenue being flat in base currency Revenue impacted by adverse FX rates (-8% impact)

Opportunities

Australia	<ul style="list-style-type: none"> • Strong pipeline going into 2012 • New products gaining traction – average client only has 3 to 4 modules out of a possible 14 • Lite product expands the addressable market • Company secretarial solution launched
New Zealand	<ul style="list-style-type: none"> • New products gaining traction • Market share growth opportunities • Lite product expands the addressable market
United Kingdom	<ul style="list-style-type: none"> • New products gaining traction • Greater focus on existing clients and their growth
All Countries	<ul style="list-style-type: none"> • Continued maintenance revenue growth • Mobility offerings for iPad and iPhone • Private cloud solution launched • Automated time monitoring solution that enables more effective time capture

Summary

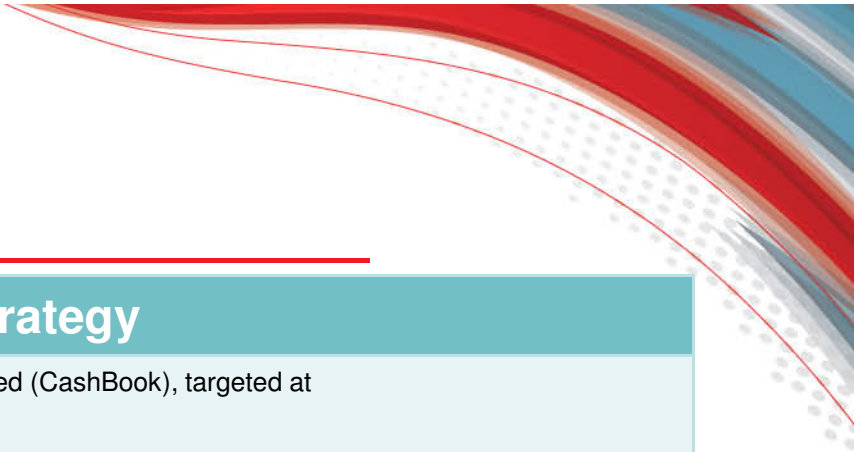
	<p>Revenue down by 6% to \$8.8m (up by 5% in base currency) <i>Represents 9% of Group Revenue</i></p> <p>EBITDA down by 8% to \$3.5m (up 3% in base currency)</p> <p>Reckon holds a 74% shareholding in the USA and 75% in the UK</p>
Product suite	<p>Cost recovery software, print solutions, enhanced scan solutions, expense management solutions and other related modules historically targeted at the legal profession</p> <p>Expense management solutions and print management applications targeted at corporations to drive cost reductions within these organisations</p>
Revenue by Market	<ul style="list-style-type: none"> • USA 76% • UK 24%
Positioning	<p>Historically targeted at the legal profession, and as such is strategically placed in the top 200 law firms in the USA with a 35% market share, along with a significant share of the top tier UK based firms</p>

Performance

Divisional revenue	<ul style="list-style-type: none"> • 30% of revenue derived from new customer sales/additional module rollout, despite difficult market conditions (i.e. market share growth)
United States of America	<ul style="list-style-type: none"> • Revenue up by 3% in base currency • Revenue impacted by adverse FX rates (-11% impact) • Continued migration from a hardware solution to a software solution (adverse revenue impact, but improves margin %) • Solid history of client retention continues • Pipeline is stronger • Legal market generally showing interest but slow to place orders • First commercial customers signed
United Kingdom	<ul style="list-style-type: none"> • Weak first half, but recovered in second half • Revenue up 13% in base currency • Revenue impacted by adverse FX rates (-8% impact) • Continued migration from a hardware solution to a software solution (adverse revenue impact, but improves margin %) • Transitioned to new management team with deep legal industry experience, and re-positioned business for growth

Opportunities

<p>United States of America</p>	<ul style="list-style-type: none"> • Continued gain in market share • Prospects in the commercial and government sectors are building (including through reseller channel) • Expanded geographies/sales team • Mid sized legal market as yet untapped • Cloud based solutions for print capture expected to be available in 2nd half of 2012 • Pipeline remains strong
<p>United Kingdom</p>	<ul style="list-style-type: none"> • Much stronger pipeline than we have enjoyed in the past • Product and service offering well respected in the market – nominated for several awards • Expanded geographies (previously London centric) e.g. new clients signed in the broader UK market and South Africa. Asia also being explored. • Improved economic conditions



Group Online Strategy

Personal & Micro Businesses	<ul style="list-style-type: none"> • A new online offering has just been launched (CashBook), targeted at <ul style="list-style-type: none"> • Micro Businesses • Personal users • Features Simplicity, automatic feed of bank transactions and GovConnect (enables integrated, efficient and accurate lodgement of tax and other government forms) • Online and offline capability
Business products	<ul style="list-style-type: none"> • Hosted QuickBooks has been in the market for just 2 years <ul style="list-style-type: none"> • Fully featured accounting software • No learning process required when moving from our desktop products • Includes GovConnect - enables integrated, efficient and accurate lodgement of tax and other government forms • Coming Soon – Automatic feed of bank transactions • Online offerings, such as <ul style="list-style-type: none"> • Exchange Hosting • Web Hosting • Domain names
Practice Management for Accountants	<ul style="list-style-type: none"> • Soon to be released APS Enterprise Hosted Service <ul style="list-style-type: none"> • No additional training required when moving from our on-premise solution • Reduces client overhead and complexity of managing IT in house • Many current APS modules are well suited for conversion to online. Applications which are/will shortly be available are: <ul style="list-style-type: none"> • Business intelligence modules • Time capture • Mobility solutions

Strategic focus

**Organic growth
remains the key focus
for the group**

- Opportunities continue to exist in:
 - Online products and services across all divisions
 - Market share growth is expected to continue in all divisions
 - Market expansion opportunities are significant
 - Rollout of our vast suite of products to existing customers
- Reckons' financial strength and proven track record gives our customers and partners confidence that we can continue to lead the market in delivering innovative and high quality products and solutions now and into the future.



Questions

Thank you