



ASX Announcement

14 June 2018

PERFORMANCE OF ACCOUNTANTS PRACTICE MANAGEMENT GROUP

After the MYOB Group announced its withdrawal from its purchase of the Accountants Practice Management Group, Reckon Limited has received requests from some shareholders to clarify the results of the continuing business of the company.

We attach the following summary of results for the years ended 31 December 2017 and 31 December 2016 by segment inclusive of the Accountants Practice Management Group. The half year results, which we anticipate announcing in August, will also be consistent with this format.

The Accountants Practice Management Group continued to enjoy growth in subscription revenue in 2017, with this revenue component increasing by 5%. The Accountants Practice Management Group has been focussed on progressively improving the quality of revenue by increasing the subscription component of revenue. Subscription revenue now comprises 95% of the available revenue in this division. Seat growth has also continued, as depicted in the attached chart. Overall revenue has fallen slightly as we also now start to move our ReckonDocs business to a subscription offering.

For further information, please contact:

Mr Clive Rabie

Group CEO

Reckon Limited

(02) 9134 3350

Mr Chris Hagglund

CFO

Reckon Limited

(02) 9134 3360

Results Summary

(unaudited)

✓ 2017

	Business Group	Legal Practice Management Group	Central Administration costs	Accountants Practice Management Group	Continuing business including Accountants PM Group
REVENUE	35,917	13,007		31,413	80,337
EBITDA	17,242	3,424	(4,731)	15,338	31,273
Development expenditure	6,035	2,248		6,986	15,269

✓ 2016

REVENUE	35,555	14,098		32,072	81,725
EBITDA	17,034	4,544	(4,676)	15,321	32,223
Development expenditure	10,216	2,232		6,447	18,895

Reckon APS Seat growth

