

# Results

## 6 month to June 2005

**Greg Wilkinson - CEO**

**Clive Rabie – COO**

**Chris Hagglund - CFO**

**Reckon**  
APS | *Quicken*

# 1<sup>st</sup> Half 2005 Highlights

- ↗ Revenue \$22.2m – up 18% on prior year 1<sup>st</sup> half
- ↗ NPBT \$ 5.2m – up 38% on the previously reported prior year 1<sup>st</sup> half (and 27% up on restated prior year numbers)
- ↗ EBITDA margin (before royalties and development costs) grew from 37% to 40%

# 1<sup>st</sup> Half 2005 Highlights

- ↗ Revenue growth in both companies
  - Quicken ... 10%
  - APS ... 40%
- ↗ Increased margins (next slide)
- ↗ Cash Balance .... \$18.3m
- ↗ Cash Flow from Operations .. \$6.5m
- ↗ Return of Capital .. 3.5 cents per share (paid July 05)

# 6 months June 05

	2003	2004	2005
<b>Revenue</b>	12.7m	18.8m	22.2m
- Growth YTD		48.0%	18.2%
<b>EBITDA</b> (before royalties and development costs)	5.5m	7.0m	8.9m
- margin	43.3%	37.2%	40.1%
<b>NPBT</b>	2.6m	4.1m	5.2m
- margin	20.5%	21.8%	23.4%

# 6 months June 05

We account for tax – **Minimal cash flow**

	2003	2004	2005
<b>Tax Effect:</b>			
<b>Tax Expense</b>	\$0	\$0.1m	\$1.8m
<b>NPAT</b>	\$2.6m	\$4.0m	\$3.4m

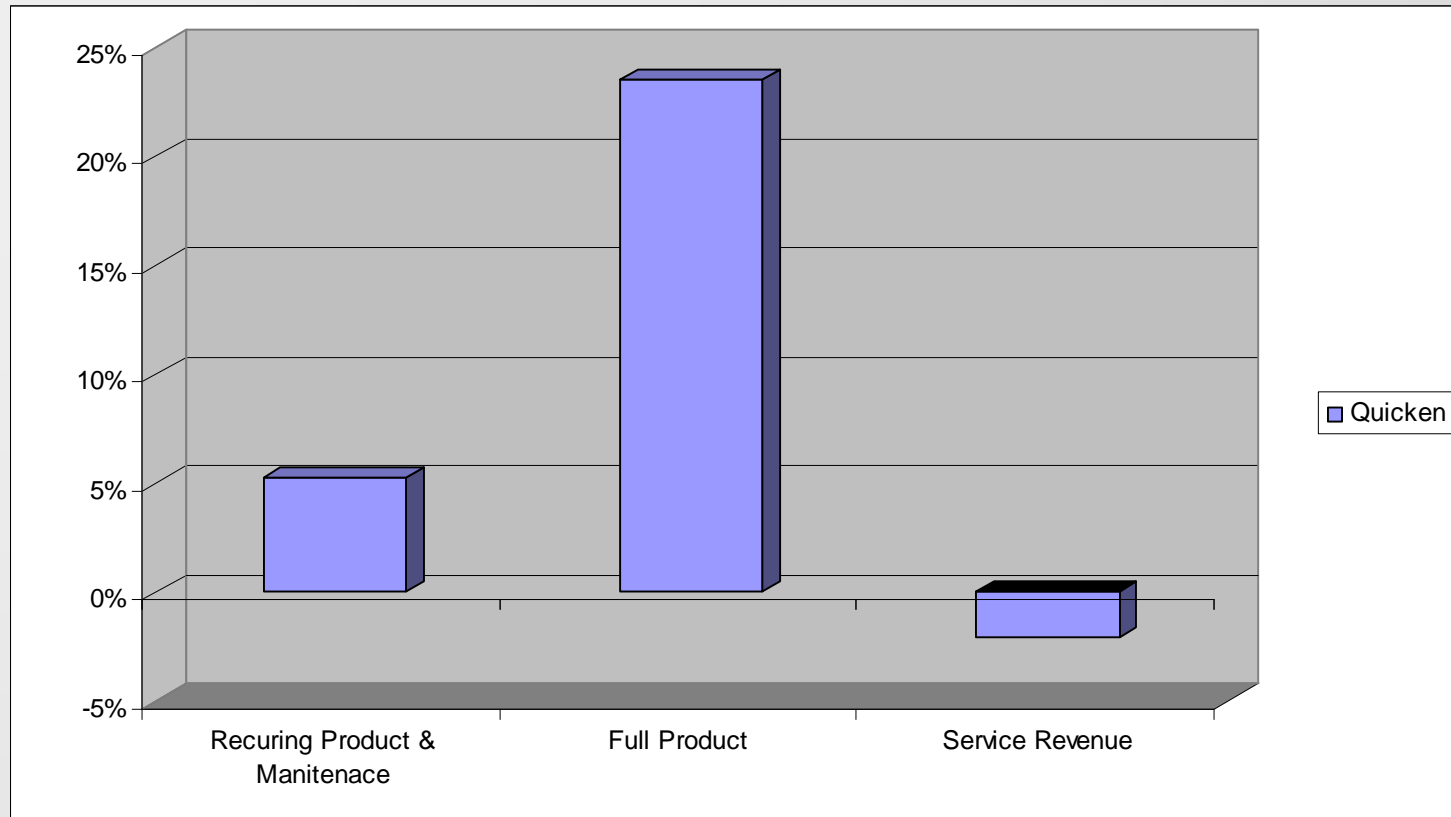
# 6 months June 05

	2003	2004	2005
<b>EPS</b>			
EPS (NPBT)	2.0c	3.0c	3.7c
EPS Growth		46%	25%
EPS (NPAT)	2.0c	2.9c	2.5c
EPS Growth		43%	-16%

# Quicken Highlights

- ↗ Sustained growth of new products in market
- ↗ Over 90,000 customers dealt regularly with the company
- ↗ Release of QuickBooks 2005/2006
- ↗ National road show – winning the rural business
- ↗ Over 500 enterprise customers
- ↗ Release of EasyStart and already top selling product after very successful launch internationally
- ↗ Successful release of connected services and online banking

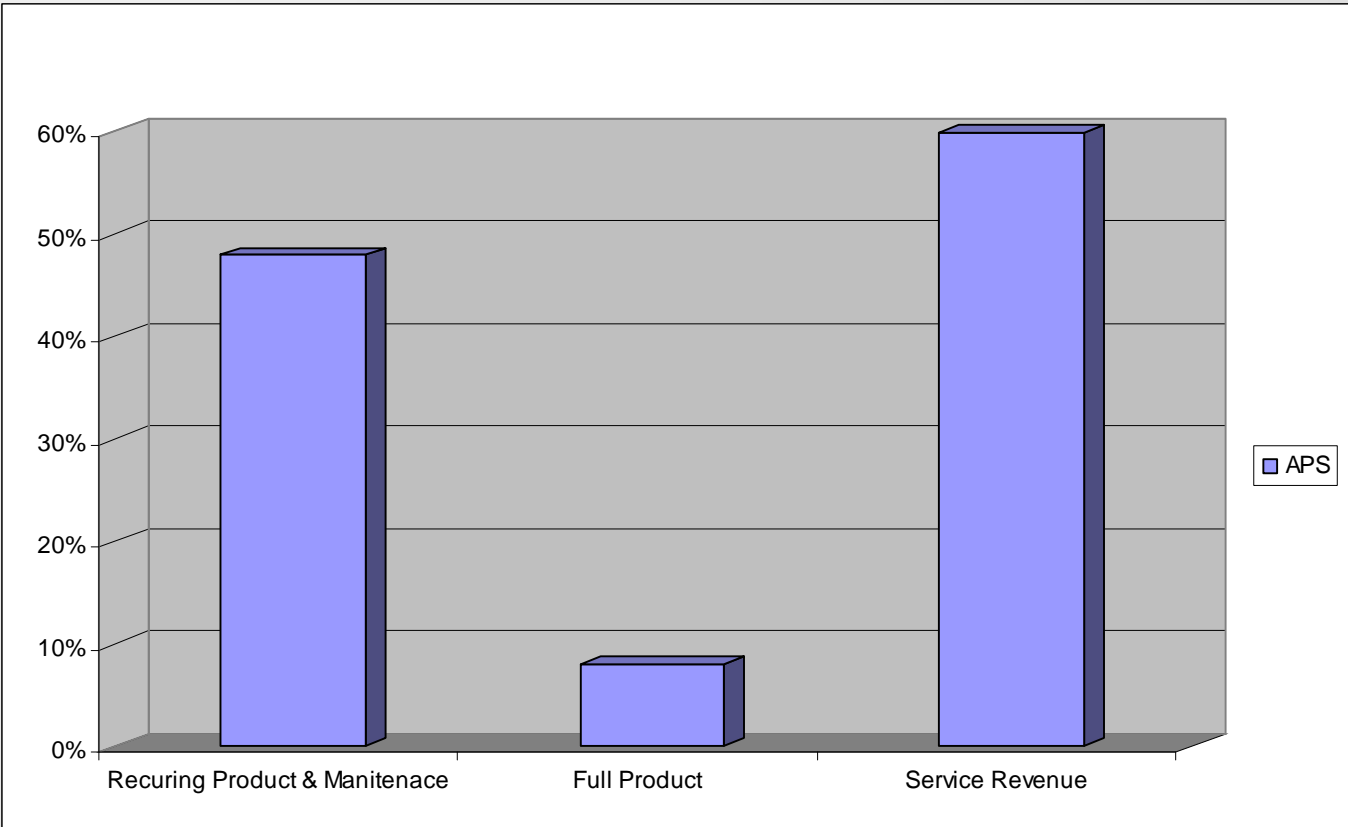
## % Growth in Quicken over 2004 - by product category



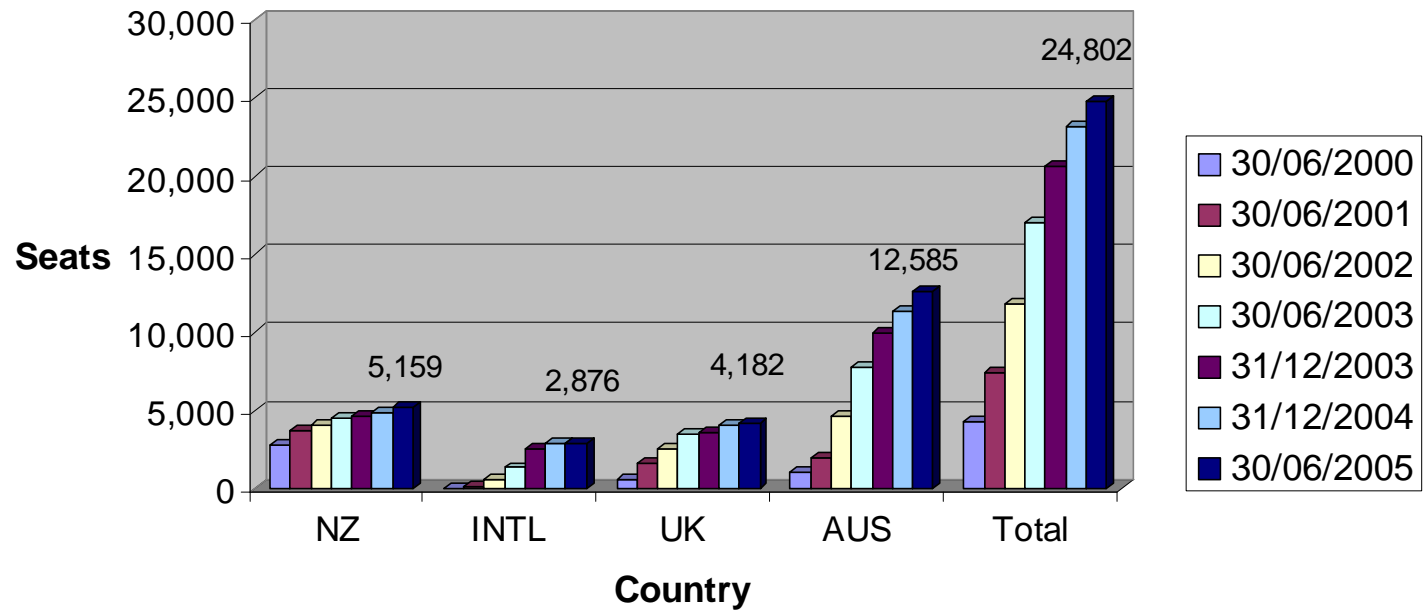
# APS - Highlights

- ↗ 65 of top 100 firms – Australia
- ↗ 20 of top 30 firms - NZ
- ↗ 68 firms switched to APS notwithstanding stiff competition and price discounting – Australia
- ↗ APS tax users up 160%
- ↗ Client survey – 90% will recommend APS
- ↗ Focused roll out of tax modules – June / July 05
- ↗ Beta new APS tax form product
- ↗ 60 Firms now on foundation – still improving product strategy in this space
- ↗ Solid pipeline of new sales and sites being rolled out.

# % Growth in APS over 2004 - by product categories



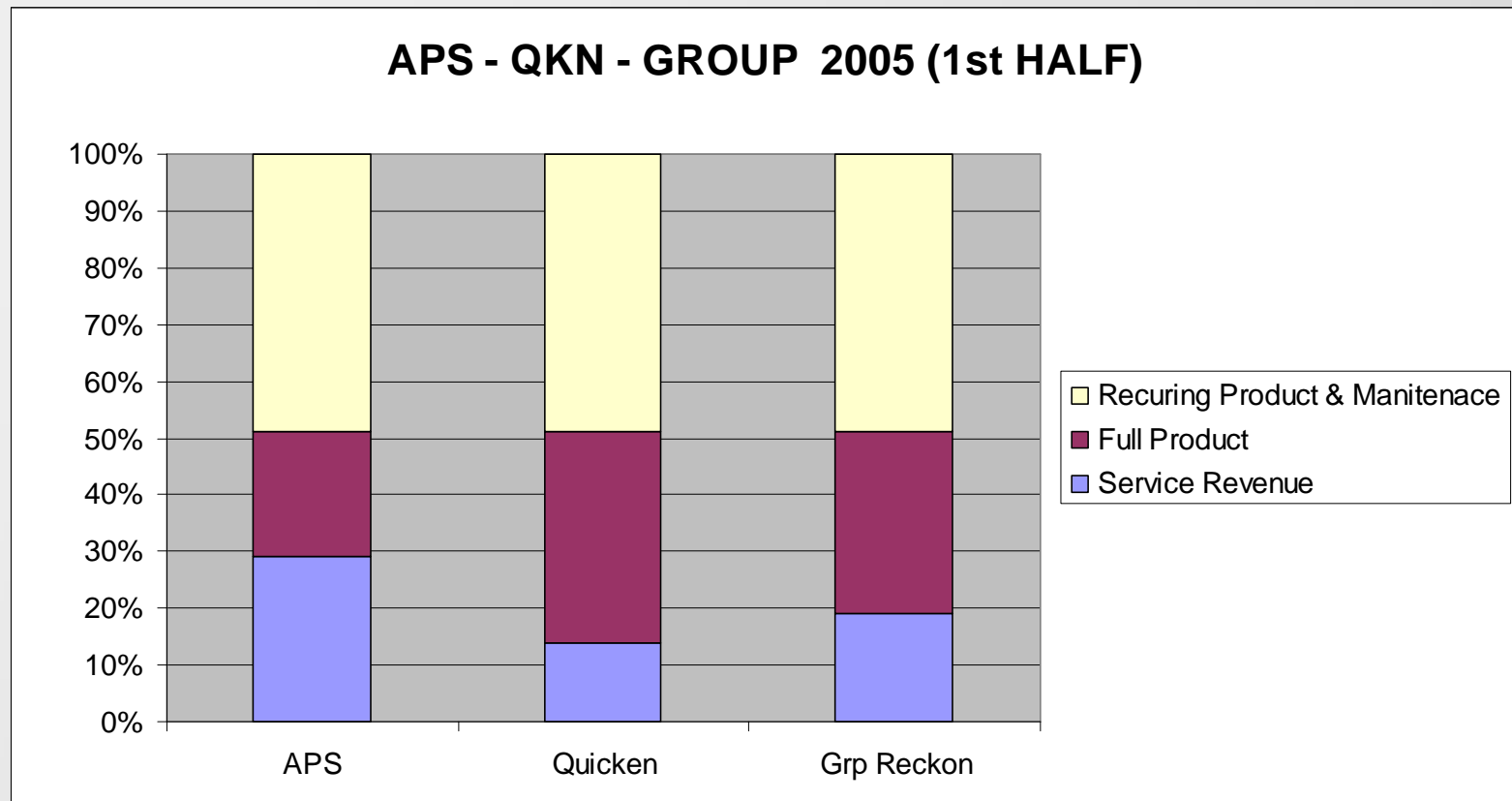
## APS User Numbers



# Revenue

- Almost 50% of revenue recurring
- 32% of revenue coming from new product sales representing strong organic growth still in the business
- APS revenue 33 % of group
- Quicken revenue 67% of group

# % Sales by Product Category



➡ Thank you