

Results Summary for Announcement to the Market

Trading Results (before business acquisition restructure costs)

	2009 Result	2008 Result	% Change	Amount Change
Operating Revenue	\$85.3 million	\$60.0 million	42% increase	\$25.3 million
Group EBITDA (before business acquisition restructure costs)	\$26.1 million	\$19.0 million	38% increase	\$7.1 million
Group NPAT (before business acquisition restructure costs)	\$14.4 million	\$11.3 million	27% increase	\$3.1 million
EPS (before business acquisition restructure costs)	10.5 cents per share	8.5 cents per share	24% increase	2 cents per share

Trading Results (after business acquisition restructure costs)

	2009 Result	2008 Result	% Change	Amount Change
Group EBITDA (after business acquisition restructure costs)	\$25.1 million	\$19.0 million	32% increase	\$6.1 million
Group NPAT (after business acquisition restructure costs)	\$13.6 million	\$11.3 million	20% increase	\$2.3 million
EPS (after business acquisition restructure costs)	9.9 cents per share	8.5 cents per share	17% increase	1.4 cents per share

Dividends

The Board has declared a final, fully franked dividend of 4 cents per share (2008: final, fully franked dividend of 3.5 cents per share). The final dividend will be paid to shareholders recorded on the Company's Register as at record date of 19 February 2010 (see following announcement). This represents an increase of 1 cent per share on the interim dividend of 3 cents per share (fully franked) declared on 11 August 2009. The Company's dividend payout ratio is 71%.

Share Buy Back

On 9 February 2010 the board of directors approved an on-market share buy-back of not more than 10% of the shares in the company. Notice to ASIC was despatched today and it is proposed to commence implementing the share buy back on 20 February 2010.

CEO Comments

Reckon Limited Group CEO, Clive Rabie said:

"While times were tough in some of our markets in 2009, the company managed to return an excellent result.

We generated organic profit growth in the existing businesses resulting from both increased revenue and carefully managing costs. We further benefitted from the acquisition of Billback and Corporate Services as well as from the nQueue Billback joint venture in the second half of the year.

The Business Division had strong growth in direct sales while experiencing weaker full product sales mainly as a result of lower sell through in the retail channel and de-stocking by the bigger retailers (minus 35%). However, in November and December of 2009 and into January 2010, full product sales have showed signs of growth again.

In 2009, growth of over 20% was experienced in Enterprise and Elite product sales. QuickBooks Online was released in October 2009 and already has over 1000 users.

Our Business Division now deals with over 100,000 clients and a network of 6,500 professional partners.

The Professional Division showed strong growth in the Australian accounting market enjoying demand from existing customers and continuing to add to its impressive client list. In New Zealand, the Professional Division grew by only 2%, feeling the impact of the liquidation of a major client. The United Kingdom accounting market also continued to show strong growth (up 10%).

APS continues to experience demand for its expanded product range with compliance products being used in smaller accounting firms and a soon-to-be released Billback products suite including cost management, print solutions and WIP finder for the accounting profession showing promise.

The nQueue Billback joint venture showed positive results from a focused sales effort in the first 6 months of the joint venture. We believe the joint venture is now well placed to gain market share in the large United States market. While this business continues to have growth in new customers, it will also shortly be positioned to roll out an increased product range to its existing customers.

Reckon is well positioned to (1) continue organic growth with an exciting product roadmap which will move it into the so-called "SaaS" market; (2) continue to expand the product suite further; and (3) offer more to the enterprise and micro markets as well as to the accounting and legal markets.

It remains our aim to build a strong customer base and leverage the full suite of our products into that base, across all divisions.

Finally, from a capital management perspective, we see the proposed share buy-back as a good opportunity to invest capital currently available to the company."

For further information, please contact:

Mr Clive Rabie
Group CEO
Reckon Limited
(02) 9577 5946

Mr Chris Hagglund
Group CFO
Reckon Limited
(02) 9577 5414