

## Results Summary for Announcement to the Market

|                   | 2010 Result          | 2009 Result         | % Change     | Amount Change       |
|-------------------|----------------------|---------------------|--------------|---------------------|
| Operating Revenue | \$90.1 million       | \$85.3 million      | 6% increase  | \$4.8 million       |
| Group EBITDA      | \$30.2 million       | \$25.1 million      | 20% increase | \$5.1 million       |
| Group NPAT        | \$17.2 million       | \$13.6 million      | 27% increase | \$3.6 million       |
| EPS               | 12.4 cents per share | 9.9 cents per share | 25% increase | 2.5 cents per share |

### Dividends

The Board has declared a final dividend of 4.5 cents per share (2009: 4.0 cents per share). The dividend will be 90% franked. The final dividend will be paid to shareholders recorded on the Company's Register as at record date of 18 February 2011 (see following announcement). This represents an increase of 1 cent per share on the interim dividend of 3.5 cents per share declared on 10 August 2010. The Company's dividend payout ratio for 2010 was 65%.

### Share Buy Back

On 8 February 2011 the board of directors approved an on-market share buy-back of not more than 10% of the shares in the company. The company can commence purchasing shares on 24 February 2011.

## CEO Comments

Reckon Limited Group CEO, Clive Rabie said:

"All areas of the Business Division performed strongly with retail up 32%, direct sales up 11% and corporate services up 7%, giving the Division overall revenue growth of 12%. Consistent with the past, this translated to a good drop through to EBITDA (up 32%).

In the Business Division, 2011 has started with similar momentum to that experienced in 2010.

Notwithstanding the difficult times facing the accounting profession as a result of the global financial crisis, the Australian and New Zealand businesses continued their history of new customer acquisition. The weakness in United Kingdom market and adverse foreign exchange effects, however, meant that the Professional Division ended with revenue down 5% and EBITDA down 2%. It is pleasing to note that without a negative foreign exchange impact, the EBITDA would in fact have been up 2%.

2011 has started with evidence of increased recruitment in accounting firms and a step up in the willingness to engage in the sales process. Strong new sales were experienced in the 4<sup>th</sup> quarter in the Professional Division and these will be delivered in the 1<sup>st</sup> quarter of 2011.

nQueue Billback revenue was down 1%. However, without the adverse foreign exchange impact it would have been up 15%. EBITDA grew 41% as a result of the merging of the nQueue and Billback businesses. 4<sup>th</sup> quarter sales in this Division were also strong with new orders significantly up on the previous year. These orders are expected to be delivered in the 1<sup>st</sup> quarter of 2011.

As announced last week the Billback UK business is now managed by the nQueue Billback team, taking advantage of their vast domain expertise.

All things taken together it looks like we are very well placed to tackle 2011.

In 2011 Reckon will merge the Business and Professional Divisions at its North Sydney premises to enjoy the benefits of enhanced cross selling and delivery efficiencies.

Finally, from a capital management perspective, we expect to maintain our existing dividend policy and we will continue to seek out synergistic and appropriately priced acquisitions.”

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