

## **ASX ANNOUNCEMENT**

1 February 2017

The Manager - Listings  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

*Via electronic lodgement*

## **GBST HOLDINGS LIMITED - MARKET UPDATE**

Please see the **attached** announcement in relation to the above.

At 9.30am AEDT today, GBST CEO & Managing Director, Robert De Dominicis, and Chief Financial Officer, Patrick Salis, will host a question and answer session via conference call for investors and analysts in relation to the attached announcement.

The call number for Australian investors is 1800 268 560 and for international +61 2 7200 9400. The pin code is 871513#.

Yours faithfully

**GBST Holdings Limited**



# ASX Announcement

**1 February 2017**

## **Market Update**

GBST Holdings Limited (ASX:GBT), a global provider of technology to the financial services industry, today provided an earnings update for FY17 based on current expectations.

### **FY17 results outlook**

The company expects net earnings before interest, taxation, depreciation and amortisation (EBITDA) of around \$8.0m for the first half of FY17, which remains subject to finalisation of the accounts and external audit review. Due to an anticipated reduction in services revenue, GBST advises that it expects EBITDA in the region of \$12.0m for the full year, compared to EBITDA of \$17.2m in the prior corresponding period.

### **Project delays & FX impact**

GBST CEO & Managing Director, Robert De Dominicis, said: "In the first half we experienced project delays and deferred spending related to major projects in the UK, which is GBST's largest international market. While we secured a new Composer contract with an international client and UK recurring licence fee revenue has increased, services revenue will be impacted by a project that will not materialise and client deferral of other projects. As a result, FY17 earnings will be lower than previously expected."

"Furthermore, revenue for the year to date has been impacted by the decline in the British pound against the Australian dollar."

### **Institutional business turnaround**

"The restructuring of the group's institutional business has improved performance significantly and we expect a positive financial contribution for the half and full year. Our institutional product, Syn~, is improving the operational performance for a growing number of customers and has exciting prospects in Asia and North America."

### **Continuing to invest for the future**

"The investment in the technology of Composer and Syn~ is progressing and will underpin the long-term future of the company. Our opportunities are expanding and we remain well positioned for medium-term growth."

"Development of our retail wealth product Catalyst is on schedule. This provides a growth path in Australia in the converging wealth management and capital markets."

The company has a cash balance of approximately \$12.0 million as at 31 December 2016, no debt and the Board intends to continue to pay dividends.

GBST will report half-year results on Tuesday, 14 February 2017.

- Ends -

## About GBST

GBST is a specialist financial technology company which provides administration and transaction processing software for retail wealth management organisations and global and regional investment banks. Founded in 1983, the company operates in Australia, Asia, Europe and North America. GBST is listed on the Australian Securities Exchange under ASX ticker code GBT.

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