

Results for Announcement to the Market

Trading Results

	2016 Result	2015 Result	% Change	Amount Change
Revenue	\$97.8 million	\$91.4 million**	Up 7%	\$6.4 million
EBITDA	\$35.3 million	\$36.6 million	Down 4%	\$1.3 million
Adjusted EBITDA*	\$40.5 million	\$39.2 million	Up 3%	\$1.3 million
NPAT attributable to owners of the parent	\$11.0 million	\$14.6 million	Down 25%	\$3.6 million
Adjusted NPAT attributable to owners of the parent*	\$20.8 million	\$19.3 million	Up 8%	\$1.5 million
EPS	9.8 cents per share	13.1 cents per share	Down 25%	3.3 cents per share

*Adjusted for net expenditure incurred in establishing and developing Reckon One both for the domestic and international markets as well as establishing the Document Management market in the USA and Australia and New Zealand. Refer note 5 to the preliminary financial report for details of this adjustment.

**Prior year restated for ASIC fee reporting.

Dividends

The Board intends to declare an unfranked final dividend of 3 cents per share (2015: final dividend of 3 cents per share). The dividend re-investment plan will not apply for this dividend.

Net tangible assets

The net tangible assets per security as at 31 December 2015 is negative 52.8 cents per share (2015: negative 49.6 cents per share).

Audit

This report is based on accounts which are in the process of being audited.

Summary commentary

The results for 2016 reflect:

- Delivery against guidance
- Revenue growth of 7% (8% on a constant currency basis)
- Stronger 2nd half revenue growth (10% on a constant currency basis)
- Continued volume growth across all divisions:
 - Online business division users reach 39,000 (18% growth) as ReckonOne gains momentum;
 - Document management seats reach 51,000 (15% underlying growth), with online portal users now 617,000;
 - APS seats reach 92,000 (8% growth), including several major new clients in 2016;
 - nQueue revenue growth of 12% as scan products gain further traction;
 - A weak year in the content business offsets some of the gains made above
- The last major shift to subscription completed in the 1st half, with 82% of available revenue now subscription.
- Underlying profit growth of 8% however significant investments have been made in new markets with high growth potential.
- The Smart Vault acquisition has been bedded down and is performing better than originally anticipated.

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