

FY17 RESULTS PRESENTATION



Presenters | **Tim Reed** Chief Executive Officer
Richard Moore Chief Financial Officer
23 February 2018

myob simplify
success

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Presenters



Tim Reed

Chief Executive Officer

Appointed Chief Executive Officer in 2008



Richard Moore

Chief Financial Officer

Appointed Chief Financial Officer in 2012

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FY17 BUSINESS HIGHLIGHTS

FY17 Highlights

Solid financial performance driven by accelerating online subscriber growth

Revenue

\$416m

↑ 12% YEAR ON YEAR

Recurring revenue up 13% to \$400 million, or 96% of total revenue

Underlying EBITDA

\$190m

↑ 11% YEAR ON YEAR

Statutory EBITDA up 11% to \$182 million

NPATA

\$102m

↑ 10% YEAR ON YEAR

NPATA EPS up 8% to 16.9 cents

Final dividend declared of

5.75c PER SHARE

66% 2H17 NPATA

\$170m of capital returned to shareholders since listing

Paying SME subscribers

618k

↑ 6% YEAR ON YEAR

Online subscribers

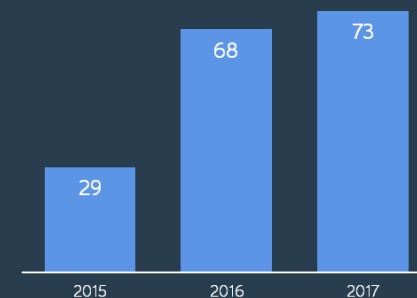
399k

↑ 60% YEAR ON YEAR

% of new SME DIY clients online

94%

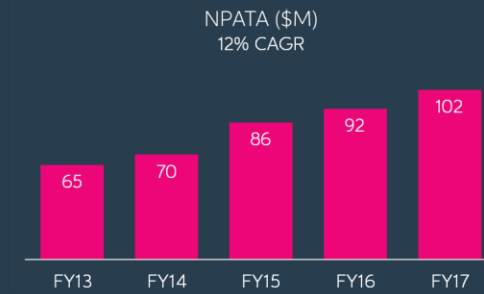
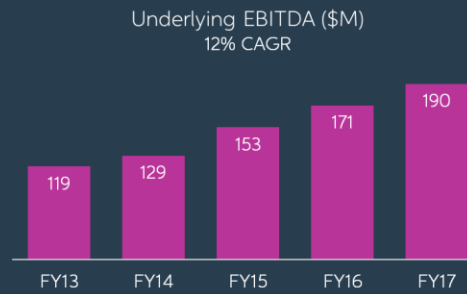
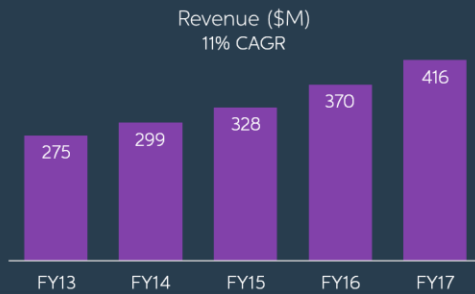
↑ 2ppts YEAR ON YEAR



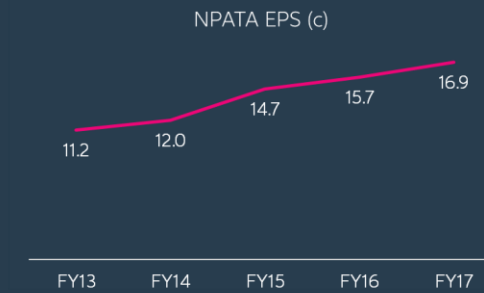
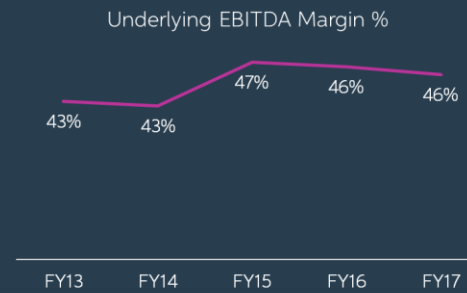
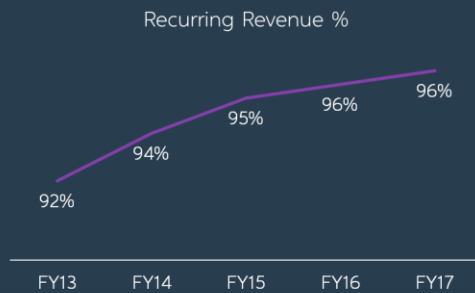
FY17 Highlights

Compelling growth trajectory across financial and operational measures

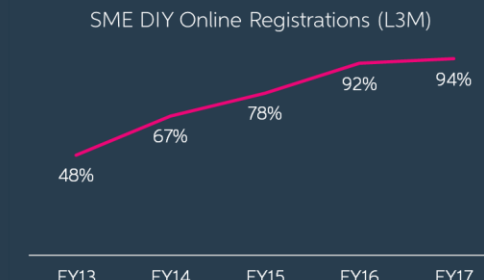
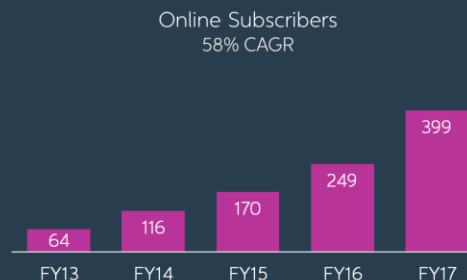
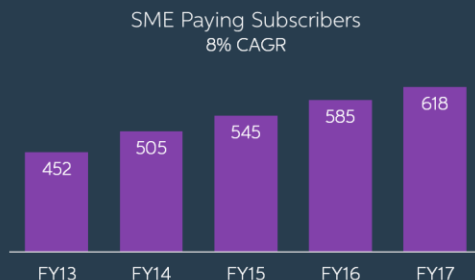
Consistent double digit growth across all key financial metrics



High levels of recurring revenue and industry leading margins



Acceleration in online subscriber growth continues



Note: 1. FY13-15 financial measures noted on a pro forma, like-for-like basis.

STRATEGY **AND** GROWTH DRIVERS

Delivered value in 2017 in line with long term strategy and our vision to **help businesses succeed**

Creating long term shareholder value

Accelerate growth in existing markets	1	Growing online subscribers	<ul style="list-style-type: none"> Increased recognition of Connected Practice vision Strong partner uptake of online tools 60% online subscriber growth with higher migration rate
	2	Increasing lifetime value	<ul style="list-style-type: none"> ARPU up 4% to \$424 Record 82% retention rates Compelling growth in use of connected services
Penetrate new markets already opened	3	Increasing TAM through Payments	<ul style="list-style-type: none"> 100%+ growth in PayDirect Online transactions Paycorp acquisition fully integrated Launch of MYOB PayBy
	4	Increasing share and TAM through Enterprise	<ul style="list-style-type: none"> Now more than 450 MYOB Advanced ERP sites Recognised as market leader in ERP in ANZ
Strengthen core and new TAM	5	Strategic acquisition opportunities	<ul style="list-style-type: none"> Acquisition of Reckon's Accountant Group assets progressing Continue to seek out value accretive acquisitions

MYOB's vision for the accounting industry. The **Connected Practice**.

Growing online subscribers

Advisers

Accountants and Bookkeepers become **business coaches** and **compliance managers**

Transaction Processing

Become primary owner of automated transaction processing, configure systems, process only anomalies

Compliance

Review prefilled data; ensure deadlines met

Advisory

Review business performance and cashflow, recommend improvements, consult on key business decisions

RUN THE PRACTICE

ADVISORY

SMEs

Things just get done

Mobile Moments

Quick and easy accounting on a mobile device e.g. get a bill, approve it, file it, account for it, schedule payment, all in 5-10 seconds on a mobile device

Track business performance

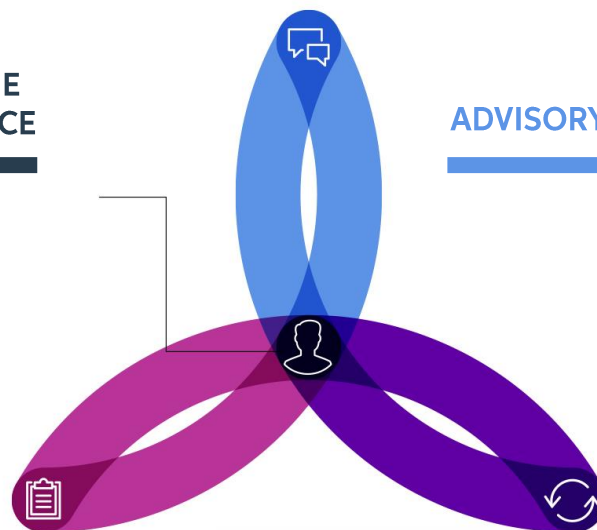
Leverage AI set up by adviser, SME views through any device

Interactions with adviser via MYOB apps

Questions, source docs, signing and compliance lodgment, all via a shared online workspace

COMPLIANCE

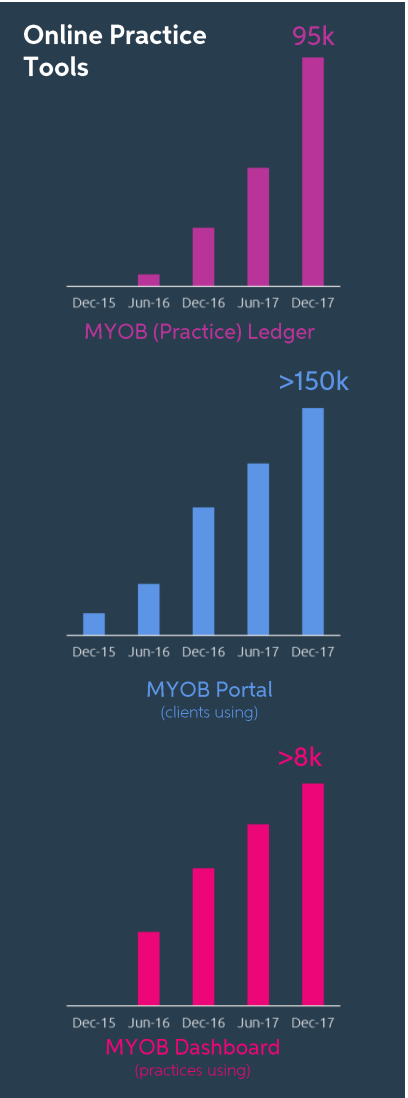
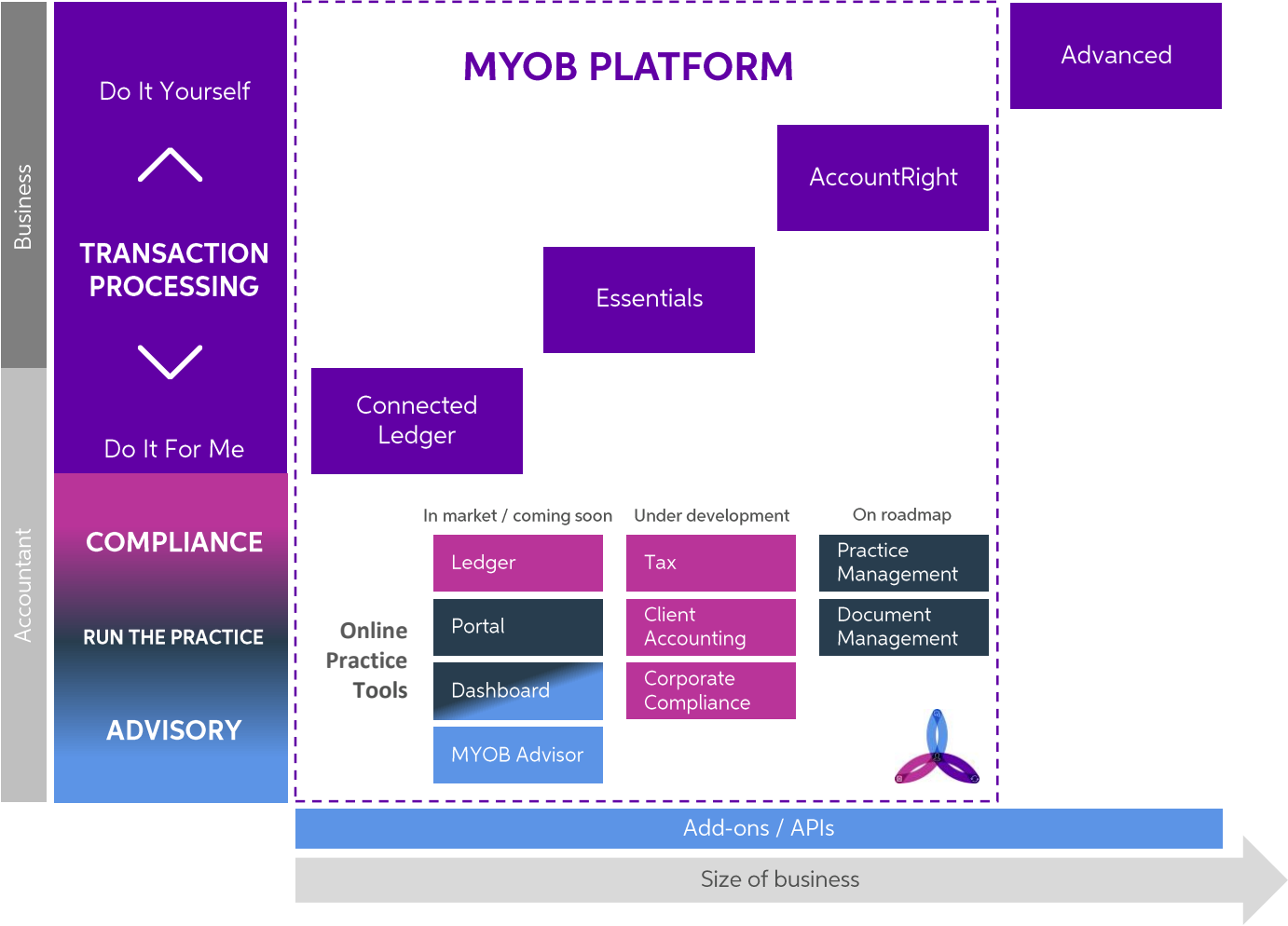
TRANSACTION PROCESSING



The Connected Practice will deliver seamless connectivity across the ecosystem, to enable effective, insight-led decision making by businesses and their advisers, ultimately driving increased referrals of SME solutions for MYOB.

The **MYOB Platform** delivers the tools to Advisers and SMEs that make the **Connected Practice** a reality

Growing online subscribers

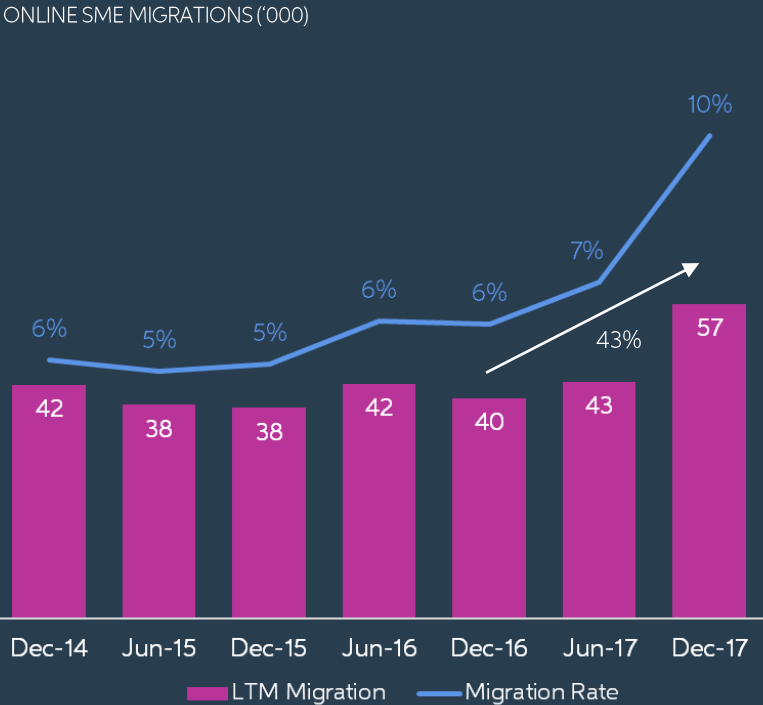
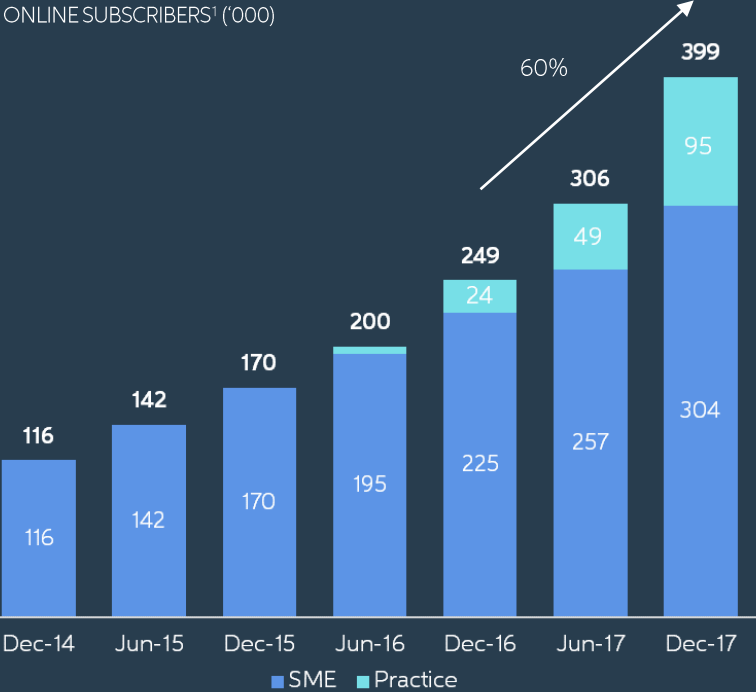


Record 60% growth in online subscribers, driven by new SME clients and 43% growth in migrations

Growing online subscribers

Accelerating growth in online subscribers, on track for **1 million** by 2020

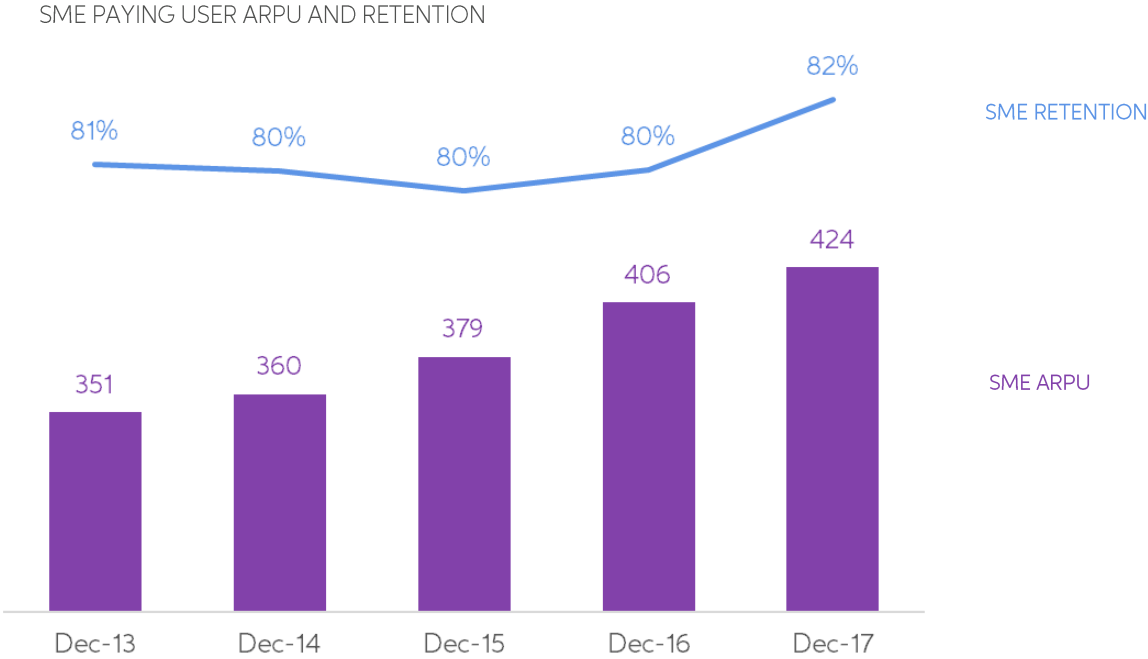
Sophisticated price-led campaigns to active, non-paying base has increased **migrations by 43%** since 2016



Note 1: The chart above includes both SME and Practice ledgers to show total online ledger growth.

Driving increased **ARPU** and **retention rates**,
and lifting lifetime value

Increasing lifetime value



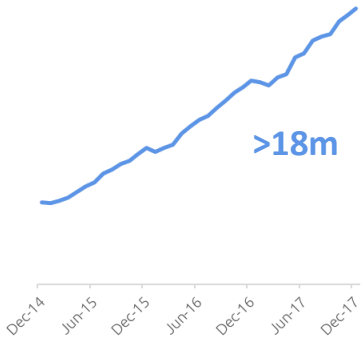
SME retention improvements from mix shift to online solutions and improvements in individual products

ARPU increase driven by ~5% increase in underlying subscription prices offset by mix shift and FX in 2H17.

Maintaining strong momentum in Online Connected Services

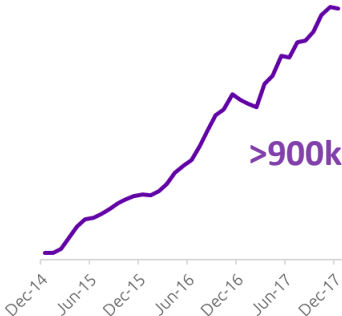
Increasing lifetime value

Monthly **bank transactions** fed to online solutions



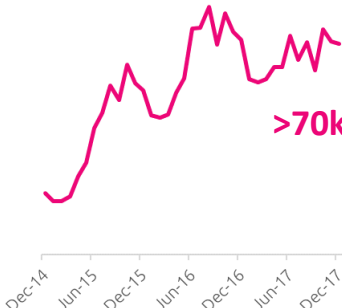
Up >35% YoY

Smart bills processed per month



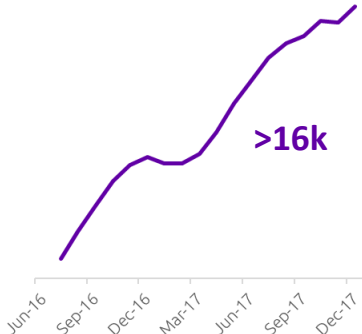
Up >60% YoY

PaySuper – employees paid (L3M)



In line YoY

PayDirect Online transactions per month



Up >100% YoY

Bankfeeds continue to be the foundation for MYOB's online solutions

Enhanced Smart Bills launched in 2017, piloting direct supplier feeds

Single touch payroll coming in 2018

New payment types coming in 2018, together with launch in NZ

Officeworks partnership – the first to extend **Smart Bills** functionality

Increasing lifetime value

MYOB has partnered with Officeworks to implement the upgraded Smart Bills service.

MYOB's Smart Bills pioneered the use of artificial intelligence using optical character recognition (OCR).

The next generation of Smart Bills allows supplier invoices to be fed directly into the MYOB online software straight from the supplier providing 100% accuracy of the digital information.

- Officeworks bills are sent straight to the MYOB InTray
- Bills can be created with a single click
- Accounts are coded automatically
- Tax code allocated automatically to ensure correct tax treatment

The screenshot displays the MYOB Smart Bills interface. At the top, the 'Officeworks' logo is prominently featured with a red pushpin icon. Below the logo, the MYOB navigation bar is visible, including links to Dashboard, Sales, Purchases, Banking, Contacts, Payroll, Reports, InTray, My businesses, and Blue Bird Homebrews Es. The main section is titled 'Link documents to bills' and includes a progress indicator with two steps: '1 Select a document' and '2 Create bill'. A green notification box states: 'This bill has been automatically filled with data from your supplier invoice.' Below this, the supplier information is displayed: Supplier: Officeworks, Billing Address: 102 Adelaide Street, Brisbane QLD 4000, Australia, and Account code: Office supplies. The invoice details include Bill number: EX00000000154, Invoice number: 0034768015, Date of issue: 24/10/2017, Due date: 23/11/2017, and Amounts are: GST Inclusive. A table lists the items on the invoice, including Samsung Galaxy S5 White, Pk10 J.Burrows B/Point Pen Be, Ky-Cadet Pencil Hexagon Hb Loose, Nescafe Blend 43 Coffee 1kg, Devidensure Mobile \$250-500, Officeworks Assembly Cat 5, Assembly Call Out Fee, Smith Family \$2 Donation, and Statutory Charges. The table columns are Item, Description, Allocate to, Qty, Unit price, Tax type, and Amount. The bottom right of the interface shows a summary table with Subtotal (\$705.47), GST (\$27.38), Total (\$705.47), Amount paid (\$0.00), and Amount due (\$705.47). There are buttons for 'Enter payment', 'Print', 'Cancel', and 'Save'.

Item	Description	Allocate to	Qty	Unit price	Tax type	Amount
1	SAMSUNG GALAXY S5 WHITE	Office supplier	1	387.00	GST	387.00
2	PK10 J.BURROWS B/POINT PEN BE	Office supplier	12	2.50	GST	30.00
3	KY-CADET PENCIL HEXAGON HB LOOSE	Office supplier	3	0.49	GST	1.47
4	NESCAFE BLEND 43 COFFEE 1KG	Office supplier	2	30.00	FRE	60.00
5	DEVIDENSURE MOBILE \$250-500	Office supplier	1	67.76	GST	67.76
6	OFFICWORKS ASSEMBLY CAT 5	Office supplier	1	110.00	GST	110.00
7	ASSEMBLY CALL OUT FEE	Office supplier	1	35.00	GST	35.00
8	SMITH FAMILY \$2 DONATION	Office supplier	1	2.00	FRE	2.00
9	STATUTORY CHARGES	Office supplier	1	12.24	NTR	12.24

	Amount
Subtotal	\$705.47
GST	\$27.38
Total	\$705.47
Amount paid	\$0.00
Amount due	\$705.47

The next generation of Payments:

unlocking the >\$1.2b TAM opportunity

Increasing TAM through Payments



Payments
Gateway



Merchant service
facility



Fraud management
services



Face-to-face
payments



Phone
payments



Online
Payments

PCI DSS V3.2 LEVEL 1 COMPLIANT



Seamless integration into MYOB accounting software

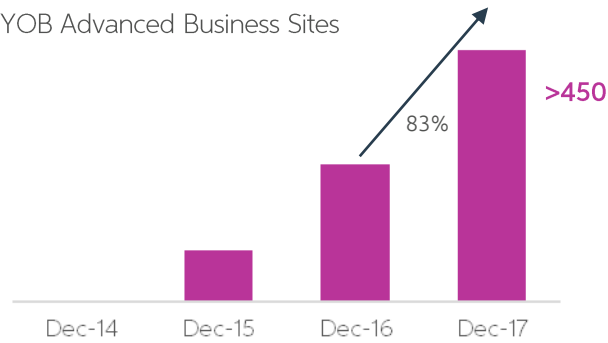
2018 Plan: Creating a payments ecosystem

- New payment types to be integrated with the payments gateway, including BPAY, Amex and POLi
- PayDirect Online launching in New Zealand
- Enhanced risk and fraud management systems and services
- New face-to-face payments solution for retail and hospitality clients
- Enhanced phone and online payments functionality

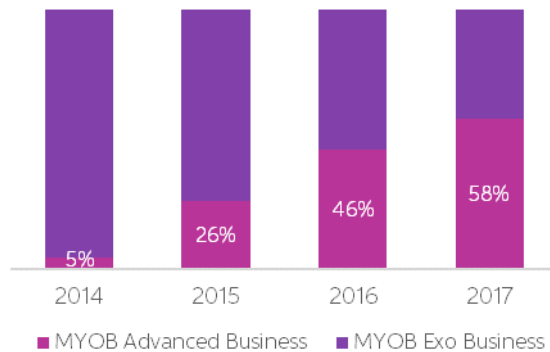
Enterprise: #1 in ERP in Australia and New Zealand

Increasing Share and TAM through Enterprise

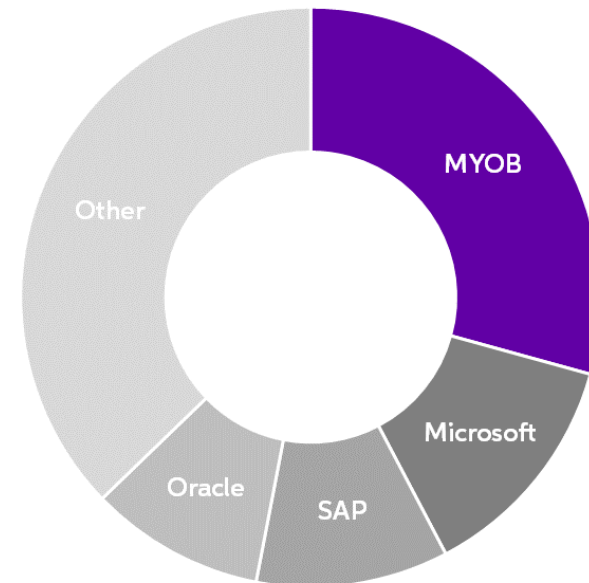
MYOB Advanced Business Sites



MYOB Enterprise ERP Sales Mix



ERP Market Share by Vendor¹



83% growth in **MYOB Advanced** ERP sites

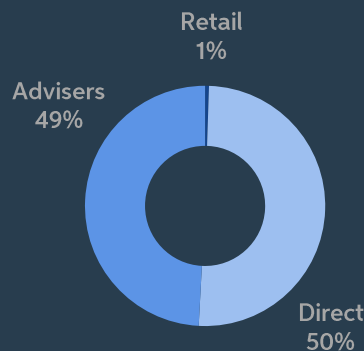
MYOB is the #1 ERP Vendor in Australia and New Zealand

Note 1: Source – iStart ERP Buyers Guide 2017-18; based on ANZ ERP sites installed (Exo, Advanced and Greentree)

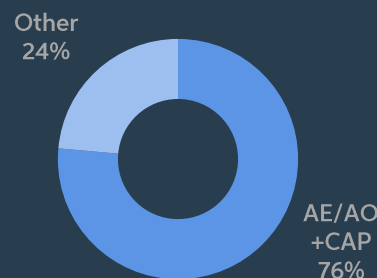
Update on **Reckon Accountant Group** acquisition

Strategic Acquisition Opportunities

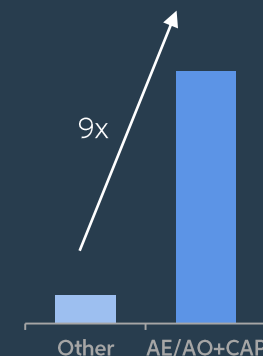
Strategic Rationale: aligned to Connected Practice vision by accelerating development of online practice modules and driving SME referrals



~50% of new sales come from adviser referrals



~75% of adviser referrals come from advisers using MYOB's practice management suite (AO/AE) and who are members of MYOB's Connected Accountant Program (CAP); who make up ~25% of the base



AO/AE+CAP clients refer at a rate of 9x other advisers

Financial Impact: EPS accretive in 2020

Competition regulator status: Decision expected in 2Q18

Integration progress: Workstreams formed for people, technology and facilities; awaiting regulator decision

MYOB Team Culture

Engagement has almost doubled since 2009

Fantastic culture, interesting tech and great vision.

Developer, Cremorne

Team



Such a fresh approach to working, you have the opportunity to be a catalyst for change ... Latest tech, great facilities, awesome culture.

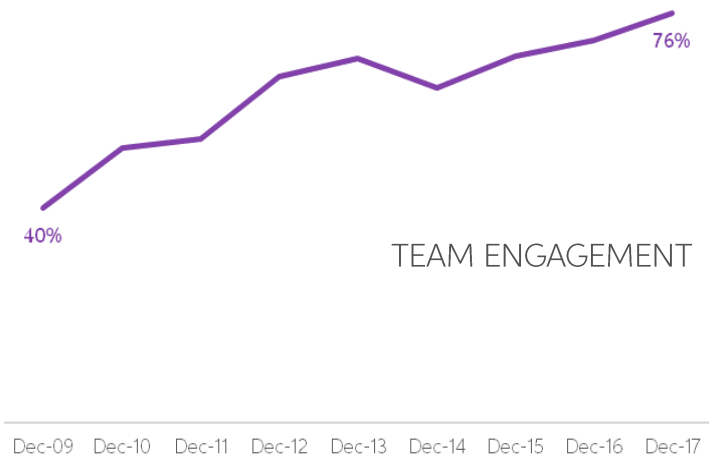
QA, Richmond



4.8/5.0

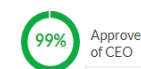
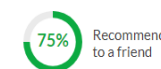
Employee Feedback
94% Recommended to a friend

Vision & Strategy	●●●●●
Management Quality	●●●●●
Culture & Values	●●●●●
Career Opportunity	●●●●●
Recognition & Reward	●●●●●
Working Environment	●●●●●



glassdoor

3.8



- **Values** consistently score as our highest category in engagement surveys at 89%
- Our team's knowledge and understanding of the values score 94% and 93% respectively
- Employees with less than 12 months service are equally high in their evaluation, demonstrating the success of our induction & orientation efforts

FINANCIAL SUMMARY

Strong financial results driven by organic subscription revenue growth and accretive acquisitions

MYOB FINANCIAL PERFORMANCE

\$M; 12 months ended 31 Dec	FY17	FY16	v FY16
Revenue	416.5	370.4	12.4%
Operating Expenses	(226.6)	(199.0)	13.9%
Underlying EBITDA	189.9	171.4	10.8%
NPAT	60.7	52.2	16.3%
NPATA ¹	101.6	92.4	10.0%
Recurring Revenue %	96.1%	95.6%	0.5%
Underlying EBITDA Margin %	45.6%	46.3%	(0.7%)

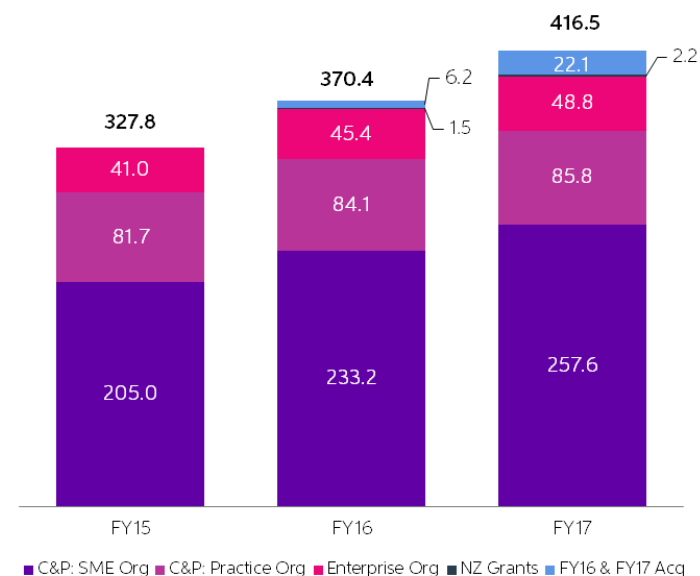
2H FX Impact

- FY17 revenue growth rate was 13.0% on a Jun'17 constant currency basis
- EBITDA growth rate impact smaller at ~0.2% due to natural hedge driven by a larger proportion of cost than revenue in NZ.

Note:

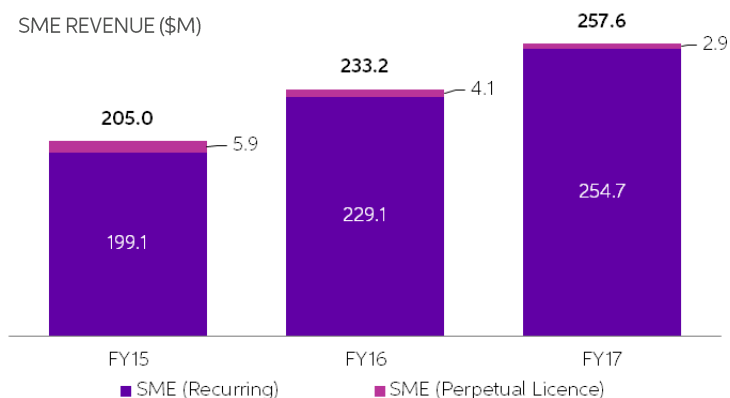
1. MYOB considers NPATA (net profit after tax and after adding back the tax effected amortisation expense related to acquired intangibles), rather than NPAT, to be a more meaningful measure of after tax profit due to the large amount of non-cash amortisation of acquired intangibles that is reflected in NPAT.

REVENUE BY SEGMENT (\$M)



	Growth	
	FY17	FY16
C&P: SME Organic	10.5 %	11.3 %
C&P: Practice Organic	2.1 %	2.9 %
Enterprise Organic	7.5 %	10.6 %
Total Organic	8.3 %	9.1 %
Total	12.4 %	13.0 %

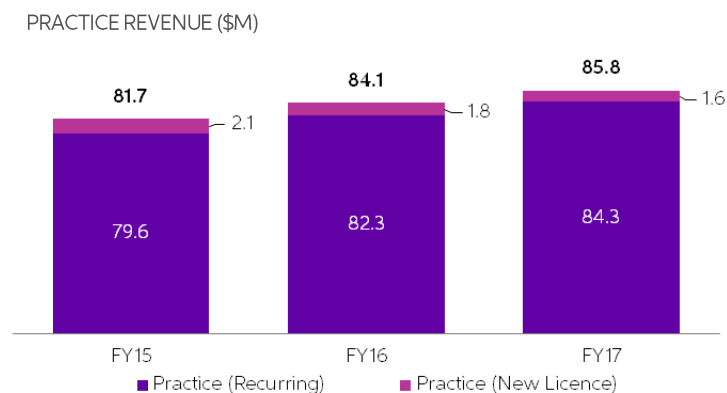
The newly created **Clients & Partners** segment delivered 82% of total group revenue



	Growth	
	FY17	FY16
SME (Recurring)	11.1 %	12.8 %
SME (Perpetual Licence)	(28.7)%	(38.6)%
Total Organic	10.5 %	11.3 %
Total	10.5 %	13.7 %

SME revenue growth of 10.5% driven by 11.1% uplift in recurring revenue, which now makes up 99% of total revenue.

- 11% recurring revenue growth coming from:
 - 6% growth in ave. paying users (driven by 35% increase in online SME subscribers)
 - 4% growth in ARPU, made up of ~5% pricing increases supported by growth in connected services and increased product functionality. This was offset by mix shift to lower ARPU products and the impact of FX in 2H17 due to the weaker NZ\$.



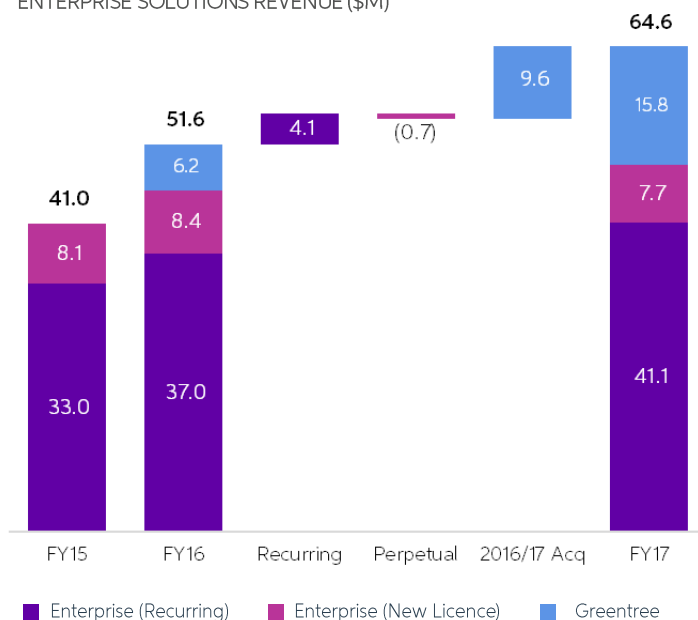
	Growth	
	FY17	FY16
Practice (Recurring)	2.4 %	3.4 %
Practice (New Licence)	(9.9)%	(16.2)%
Total	2.1 %	2.9 %

Practice revenue growth of 2.1%, slightly below 2016

- New license growth positive, driven by new client wins
- Recurring revenue growth lower due to lower services revenue YoY driven by a lower number of consulting opportunities in 2017
- Underlying subscription revenue growth in line with prior years (up 3.4%)

Enterprise Solutions delivered 16% of total group revenue, with continued double digit recurring revenue growth

ENTERPRISE SOLUTIONS REVENUE (\$M)



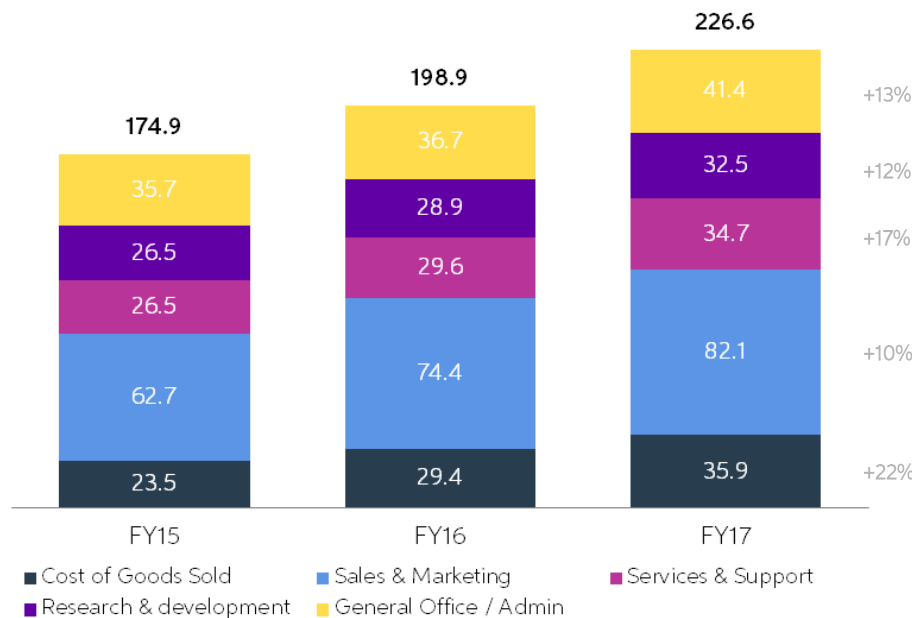
	Growth	
	FY17	FY16
Enterprise (Recurring)	11.2 %	12.1 %
Enterprise (New Licence)	(8.9)%	4.6 %
Total Organic	7.5 %	10.6 %
Total	25.1 %	25.8 %

Enterprise revenue continues to grow strongly, with double digit underlying recurring revenue growth supplemented by a full year's contribution from the Greentree acquisition.

- Organic recurring revenue growth of 11% driven by continued strong uptake of MYOB Advanced, with Advanced Business sales making up more than half of MYOB ERP sales in FY17
- Contraction in new licence sales in line with expectations, with the shift from selling perpetual desktop licenses to online subscriptions as new sales shift from Exo to Advanced
- Greentree contributed \$16 million of revenue in FY17

Our continuing **investment in Sales, Marketing and R&D** is **delivering** growth in online subscribers and revenue

OPERATING EXPENSES (\$M)

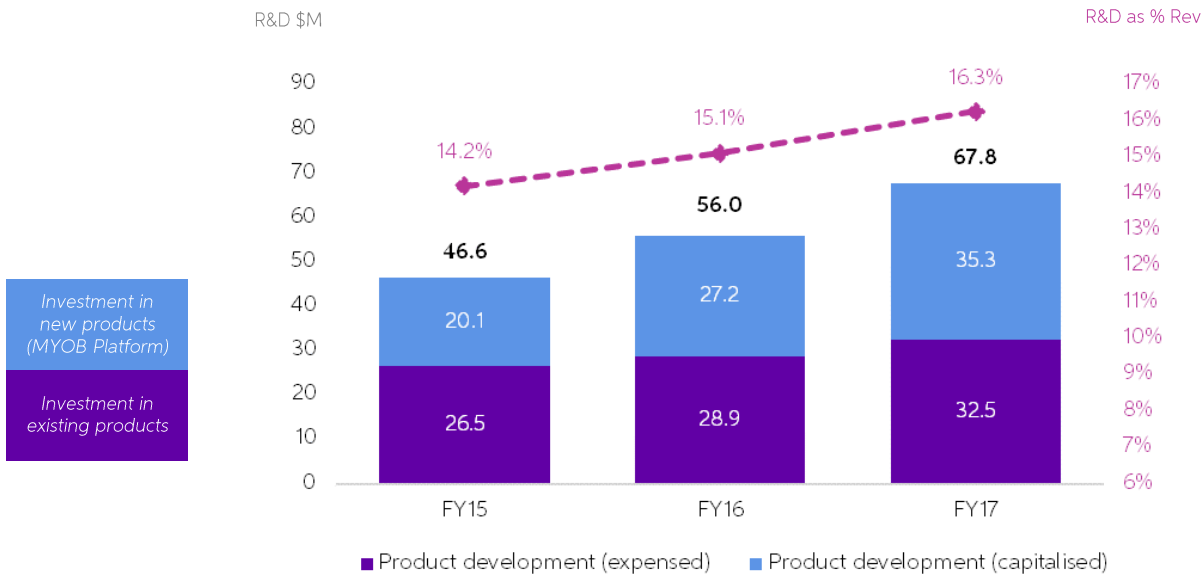


Total operating expenses up 14% year on year (12% excl. COGS), driven by impact of acquisitions and investment in product and brand. Specific impacts include:

- ongoing costs from Greentree and Paycorp acquisitions, across all categories
- continued investment in digital sales, marketing and brand (overall 20% of revenue) to support investment in the MYOB Platform and growth in online subscribers
- COGS increases due to higher hosting costs for MYOB's online solutions, which are becoming a greater proportion of the overall subscriber base over time, and increased COGS from acquisitions, especially those relating to the higher-COGS Payments segment
- continued investment in services, support and product; and
- controlled cost management in general office (mid-single digit before acquisitions)

Our focused investment in the MYOB Platform underpins our **Connected Practice** vision for the industry

PRODUCT RESEARCH & DEVELOPMENT COSTS



Product development (R&D) costs were 16.3% of revenue in FY17, up from 15.1% in FY16 and 16.0% in 1H17.

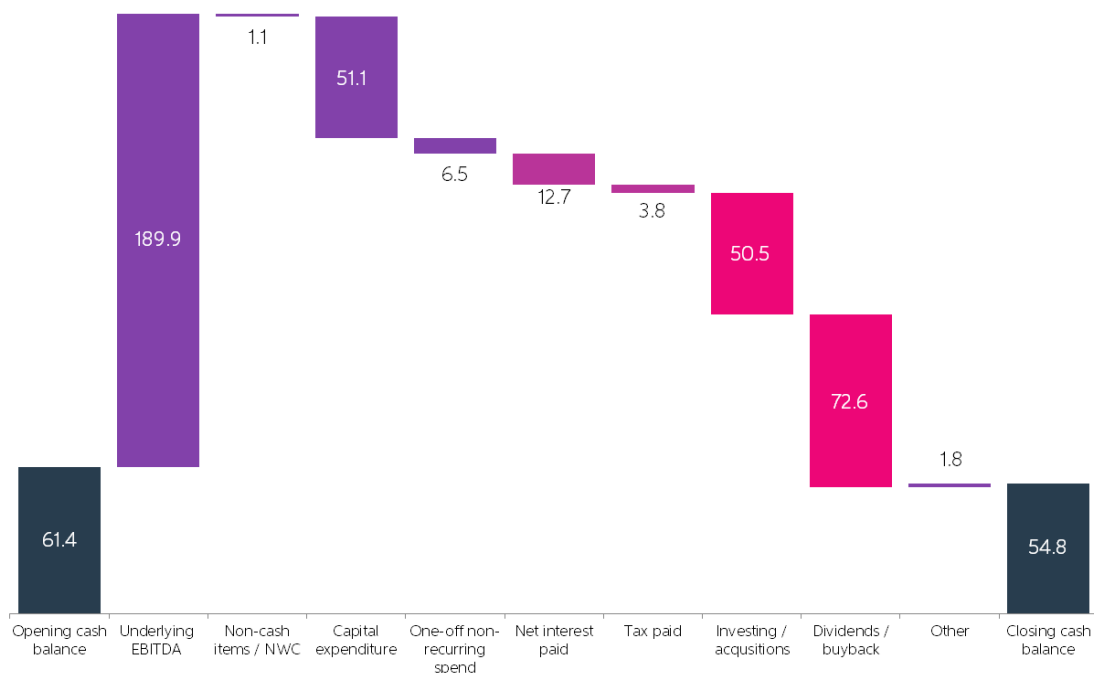
- The majority of the increased investment in FY17 has been on the MYOB Platform (yet to generate revenue), resulting in faster growth of capitalised spend over expensed¹
- For FY18 we expect investment levels (excluding Reckon integration funded investment) to remain at approximately 16% of revenue and for capex to make up between 50% and 55% of the total.

Note: 1. MYOB's accounting policy for R&D is based on Australian / International accounting standards – matching revenue and costs. So:

- Any development on products already generating revenue is expensed. This spend is on both online and desktop solutions.
- Any development on products that will create a benefit in future periods is capitalised. e.g. the MYOB Platform, internal CRM systems.
- Previously capitalised spend starts amortising once the product is released to market, over 5 years on a straight-line basis.

Cash flow conversion and free cash flows remain strong

CASH FLOW (\$M)



CASH FLOW CONVERSION

Operating cashflow, \$M	FY17	FY16
Underlying EBITDA	189.9	171.4
Non-cash items in EBITDA	0.7	0.4
Change in net working capital	(1.8)	(3.1)
Operating free cash flow before capital expenditure	188.8	168.6
Research and development capex	(35.3)	(26.9)
PPE and other capital expenditure	(15.8)	(9.2)
Capital expenditure	(51.1)	(36.1)
Net free cash flow before financing, tax and dividends	137.7	132.5
Cash conversion %	72%	77%

- Cash conversion drops by 5ppts to 72%, driven by higher capital expenditure (R&D and other)
- Net free cash flow of \$138m, up 4% YoY
- \$73m returned to shareholders through dividend and share buyback
- Net debt / Underlying EBITDA <2.00x as at 31 December 2017.

OUTLOOK

FY18 Guidance

The Connected Practice vision, together with the development of the MYOB Platform, is expected to continue accelerating online subscriber growth in 2018.

Organic revenue growth

We expect organic revenue growth to remain in the 8% - 10% range, with EBITDA margins of 43% – 45%.

With RAG¹, assuming a 2Q18 acquisition date we expect revenue growth to be 14% - 16%, with EBITDA margins of 41% – 43%.

R&D spend

We expect FY18 R&D investment to be approx. 16% of revenue.

We continue to pursue growth and investment opportunities whilst maintaining capital efficiency.

With RAG, acquisition transaction and integration costs (including accelerating Platform development) expected to be in the \$15m to \$20m range in FY18

MYOB reporting timeline

FY17 results February 2018
AGM May 2018
1H18 Results August 2018
Investor Day November 2018

Note: 1. "RAG" acquisition of Reckon Accountant Group assets, subject to regulatory approval

Long term strategy and growth drivers

Delivering value today. Significant upside potential.

Accelerate growth in existing markets	1	Growing online subscribers <i>Target 1 million in ANZ by 2020</i>	<ul style="list-style-type: none"> Winning advisers through Connected Practice vision Increased referrals through MYOB Platform Investment in sales, marketing and brand to attract new SMEs Migrate non-paying desktop SMEs to the MYOB Platform
	2	Increasing lifetime value	<ul style="list-style-type: none"> Price uplift reflecting value of new functionality including AI and Machine Learning Increased usage of connected services ARPU benefit from mix shift online Improved retention
Penetrate new markets already opened	3	Increasing TAM through Payments	<ul style="list-style-type: none"> Increase the number of clients using MYOB PayDirect Increased per client usage of PayDirect through new payment types Expand the Paycorp client base
	4	Increasing share and TAM through Enterprise	<ul style="list-style-type: none"> Increased share in Tier 3 with MYOB Advanced Migrate existing Tier 3 desktop clients online Increased TAM by providing solutions for larger (Tier 2) Enterprises
Strengthen core and new TAM	5	Strategic acquisition opportunities	<ul style="list-style-type: none"> Targeted acquisitions within our core business New investment opportunities which leverage our core business and increase TAM

Q&A

APPENDIX

Key operating metrics

	FY17	FY16	FY15
MYOB Group			
Number of online subscribers ('000s)	399	249	170
Revenue growth %	12%	13%	10%
Organic revenue growth %	8%	9%	9%
Recurring revenue as a % of total revenue	96%	96%	95%
Underlying EBITDA Growth %	11%	12%	19%
Underlying EBITDA Margin %	46%	46%	47%
NPATA Growth %	10%	8%	22%
NPATA Margin %	24%	25%	26%
Product development costs as a % of total revenue	16%	15%	14%
Clients & Partners			
Number of online SME subscribers ('000s)	304	225	170
Number of SME paying users ('000s)	618	585	545
Average SME user retention rate (%)	82%	80%	80%
SME Average revenue per paying user (ARPU) (\$)	424	406	379
SME DIY cloud regos as a % of total SME DIY regos (Q4)	94%	92%	78%
SME revenue growth %	10%	14%	14%
SME Organic revenue growth %	10%	11%	12%
Recurring revenue as a % of SME revenue	99%	98%	97%
Number of online practice ledgers ('000s)	95	24	-
Practice revenue growth %	2%	3%	3%
Recurring revenue as a % of Practice revenue	98%	98%	97%
Clients & Partners + Ops & Service contribution margin %	69%	70%	70%
Enterprise Solutions			
Revenue growth %	25%	26%	4%
Organic revenue growth %	7%	11%	4%
Recurring revenue as a % of Enterprise Solutions revenue	82%	80%	80%
Contribution margin %	53%	47%	48%

Income statement and reconciliation of statutory to underlying EBITDA

\$m	FY17	FY16	v FY16
Revenue			
Clients & Partners: SME	257.6	233.2	10%
Clients & Partners: Practice	85.8	84.1	2%
Enterprise Solutions	64.6	51.6	25%
Payment Solutions	6.3	-	-
Group	2.2	1.5	44%
Total Revenue	416.5	370.4	12%
COGS	(35.9)	(29.4)	22%
Staff related expenses	(140.7)	(124.5)	13%
Marketing	(17.0)	(13.9)	23%
General office / administration	(32.9)	(31.2)	5%
Total operating expenses	(226.6)	(199.0)	14%
Underlying EBITDA	189.9	171.4	11%
One-off non-recurring expenses	(7.7)	(7.1)	9%
Statutory EBITDA	182.2	164.3	11%
Depreciation	(6.8)	(5.7)	18%
Amortisation of capitalised inhouse software	(15.5)	(12.7)	23%
EBITA	159.9	146.0	10%
Amortisation of acquired intangibles	(58.4)	(57.4)	2%
EBIT	101.4	88.5	15%
Net interest expense	(13.6)	(14.8)	(8%)
Share of losses from equity accounted investments	(2.4)	(2.6)	-10%
PBT	85.5	71.1	20%
Tax expense	(24.8)	(19.0)	31%
NPAT	60.7	52.2	16%
D&A add back (tax effected)	40.9	40.2	2%
NPATA	101.6	92.4	10%

\$m	Note	EBITDA	
		FY17	FY16
Statutory EBITDA		182.2	164.3
Acquisition transaction and integration costs	1	5.2	4.2
Offer related adjustments and other transaction costs	2	-	0.2
Business transformation one-off costs	3	1.2	0.9
Other non-recurring adjustments	4	-	1.7
(Gain)/loss on FX translation of intercompany loans	5	1.3	(0.0)
Total one-off non-recurring adjustments		7.7	7.1
Underlying EBITDA		189.9	171.4

- One-off, non-recurring items:

- 1) Transaction and integration costs relating to the acquisitions of Ace Payroll, IMS, Greentree and Paycorp
- 2) Final IPO-related fees expensed in FY16
- 3) Business transformation initiatives and restructuring costs, including redundancies
- 4) One-off MYOB brand transformation costs in FY16
- 5) FX movement on intercompany loans (AU/NZ)

Balance sheet

\$m as at 31 December	FY17	FY16
Assets		
Current assets		
Cash and cash equivalents	54.8	61.4
Other current assets	45.6	34.8
Total current assets	100.4	96.3
Non-current assets		
Intangible assets & goodwill	1,256.6	1,245.4
Other non-current assets	42.9	45.2
Total non-current assets	1,299.5	1,290.5
Total assets	1,399.9	1,386.8
Liabilities		
Current liabilities		
Unearned revenue	50.0	49.7
Other current liabilities	50.8	41.7
Total current liabilities	100.7	91.5
Non-current liabilities		
Interest-bearing loans and borrowings	432.5	434.8
Other non-current liabilities	22.2	6.0
Total non-current liabilities	454.7	440.8
Total liabilities	555.4	532.3
Net assets	844.4	854.5
Equity		
Contributed equity	1,141.6	1,141.4
Retained earnings	(304.8)	(356.2)
Reserves	7.7	69.3
Total equity	844.4	854.5

- Most balance sheet measures in line with FY16 actuals
- Cash balance of \$55 million, lower than December 2016 due to the acquisition of Paycorp in April 2017.

Forecast Amortisation of Intangible Assets

Actual / Forecast Amortisation (\$m)	2015	2016	2017	2018F	2019F	2020F	2021F
Brands	3	3	3	2	0	0	0
Customer Relationships	22	21	20	17	15	12	9
Commercialised Software	33	34	35	35	27	3	2
Total amortisation of acquired intangibles	58	57	58	54	42	15	11
Amortisation of capitalised in-house software	8	13	16	23	31	37	40
Depreciation of PP&E	5	5	6	6	7	8	9
Total amortisation and depreciation	71	75	80	84	80	61	60

Actual / Forecast Year End Balance (\$m)	2015	2016	2017	2018F	2019F	2020F	2021F
Brands	120	118	115	113	113	113	113
Customer Relationships	95	87	83	66	51	39	30
Commercialised Software	123	95	67	32	5	2	-
Goodwill	839	889	912	912	912	912	912
Total acquired intangibles	1,178	1,189	1,177	1,123	1,081	1,066	1,055
Capitalised in-house software	41	57	78	95	108	118	130
Property, Plant & Equipment	15	19	25	34	42	48	54
Total intangible assets and PP&E	1,234	1,265	1,281	1,252	1,230	1,232	1,239

- Acquired brands fully amortised by 2019, leaving MYOB brand only (does not amortise)
- Acquired commercialised software virtually fully amortised by 2020
- Forecast will be impacted by any future MYOB acquisitions
- Capitalised in-house software and PP&E additions assumed to grow ~10% p.a. over time (indicative only to model amortisation – may not reflect actual spend).
- \$1.0B of the \$1.2B acquired intangible assets at 31 December 2017 relate to Bain Capital's acquisition of MYOB. The balance relates to acquisitions made by MYOB.

