



ASX Announcement

12 June 2014

Selective Buy-Back Agreement

Reckon Limited ("Reckon") advises that it has signed a selective buy-back agreement with Intuit Inc ("Intuit").

Intuit is the beneficial owner of 14,828,304 shares in Reckon (representing approximately 11.45% of the total shares on issue) and it is proposed that Reckon will buy-back the shares at a price of \$1.85 per share, for a total consideration of \$27.4m. On completion of the buy-back the 14,828,304 shares will be cancelled.

The price per share represents a negotiated outcome between Reckon and Intuit and is not to be taken as the board's view of what represents a fair market price. The price per share also represents a 13% discount to the 5 day volume weighted average share price of the company of \$2.13 on 6 June 2014.

As a result of the selective buy-back the earnings per share is expected to increase by approximately 7.59% from \$0.1403 per share to \$0.1510 per share, based upon results as at 31 December 2013.

This transaction also removes an overhang with its associated uncertainty; and also removes a competitor from the register.

Reckon will fund the selective share buy-back from debt facilities.

Completion of the selective buy-back agreement is conditional upon approval of the agreement by special resolution of the shareholders of Reckon not associated with Intuit.

A notice calling a special general meeting to put the special resolution to shareholders, together with an explanatory memorandum, setting out all relevant detail concerning the selective buy-back will be despatched to Reckon shareholders in due course.

Reckon has also procured an independent expert's report on the proposed transaction which concludes that, in the opinion of the independent expert, the transaction is fair and reasonable to all shareholders entitled to vote on the special resolution. A copy of this report will also accompany the notice of special general meeting.

The board unanimously recommends shareholders vote in favour of the proposal.

For further information, please contact:

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

Mr Chris Hagglund
CFO
Reckon Limited
(02) 9577 5414

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
Reckon Limited	003 348 730

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Selective buy-back
2	⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid, zero outstanding
5	Number of shares/units in the ⁺ class on issue	126,913,066
6	Whether shareholder/unitholder approval is required for buy-back	Shareholder approval required by special resolution at a special general meeting. Notice of Special General Meeting, Explanatory Memorandum and Independent Expert Report will be despatched to shareholders in due course

⁺ See chapter 19 for defined terms.

7	Reason for buy-back	Removal of an overhang. Removal of competitor from register. EPS accretive
8	Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)	Selective share buy-back is subject to shareholder approval by special resolution at a special general meeting. Notice of Special General Meeting, Explanatory Memorandum and Independent Expert Report will be despatched to shareholders in due course

On-market buy-back

9	Name of broker who will act on the company's behalf	
10	Deleted 30/9/2001.	
11	If the company/trust intends to buy back a maximum number of shares - that number <small>Note: This requires a figure to be included, not a percentage.</small>	
12	If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention	
13	If the company/trust intends to buy back shares/units if conditions are met - those conditions	

Employee share scheme buy-back

14	Number of shares proposed to be bought back	
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15 Price to be offered for shares

Selective buy-back

16 Name of person or description of class of person whose shares are proposed to be bought back

17 Number of shares proposed to be bought back

18 Price to be offered for shares

Equal access scheme

19 Percentage of shares proposed to be bought back

20 Total number of shares proposed to be bought back if all offers are accepted

21 Price to be offered for shares

22 ⁺Record date for participation in offer
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.

2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

⁺ See chapter 19 for defined terms.

Sign here:
(Director/Company secretary)

Date: 12 June 2014

Print name: Myron Zlotnick