

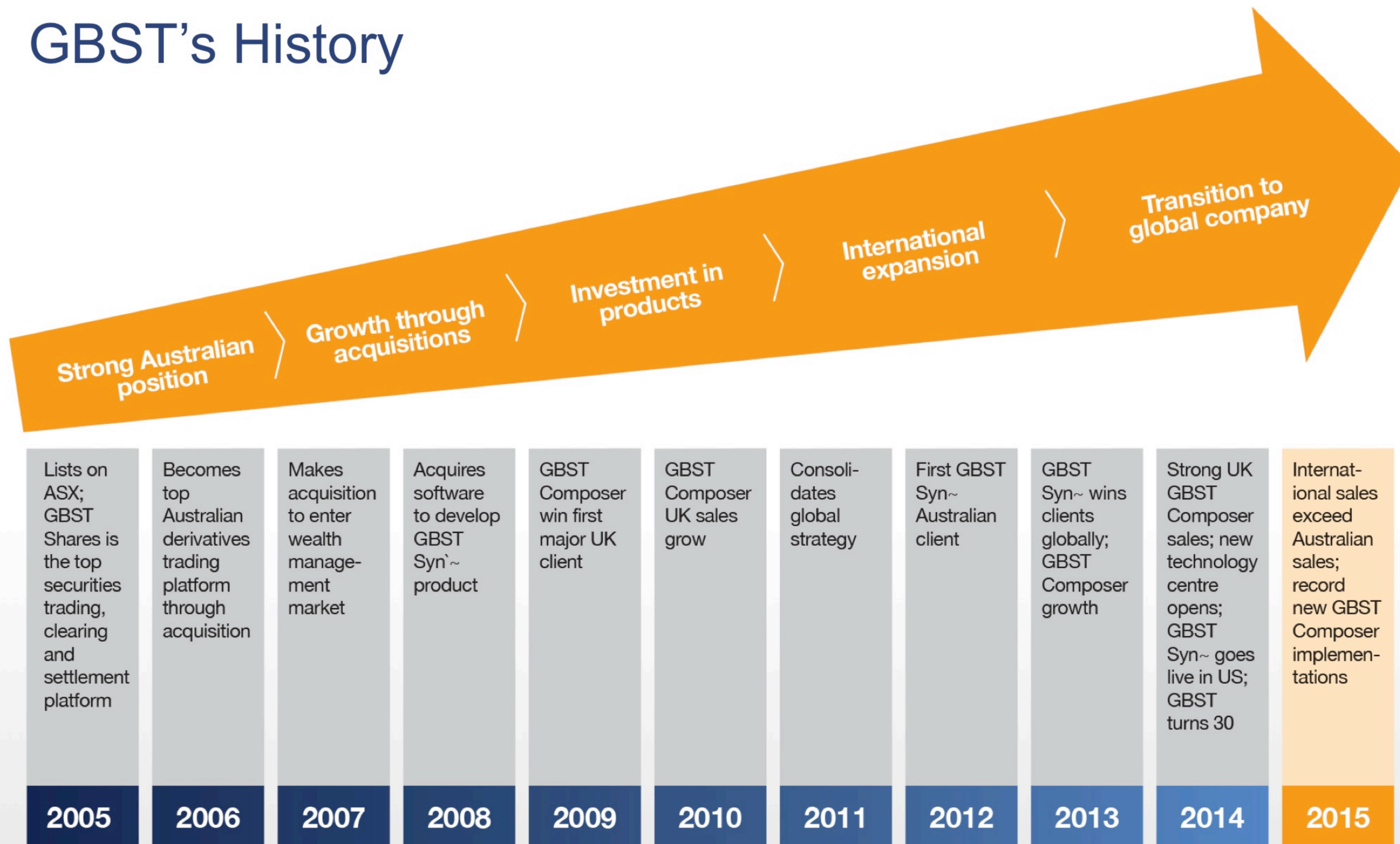
Presentation for Goldman Sachs

21 May 2015

Patrick Salis, Group Chief Operating Officer

GBST Holdings Limited (ASX: GBT)

GBST's History



GBST Today

Market leader - robust, enterprise-grade, business-critical software products

About
550
employees

Capital markets
and wealth management
specialist

60%
of revenue
comes from recurring
license fees

More than
60 clients
and growing

Over
50%
of revenue generated
internationally, and
growing

~10%
of revenue spent
on R&D

GBST Wealth Management Products

Platform

Capability/market

Product suite

GBST Composer



- Wealth administration and registry software for the Australian and UK funds management industries
 - Comprehensive platform for the retail and high net worth savings markets, providing a complete digital solution for the investor, employer, adviser and intermediary head office
 - Supports compliance for client money, dealing and fees management; and processing for investment trading and reconciliation
 - Administers more than \$500 billion funds under management
 - Supports more than 7,000 investment options including unit trusts, equities, retail and corporate pensions, offshore bonds and investment savings accounts
- GBST ComposerWeb – Application enabling portfolio administration online
 - GBST SuperStream – Automates transactions between superannuation funds (including SMSFs) and the Australian Taxation Office
 - GBST Composer Life – Supports life and risk insurance policy administration
 - GBST Quant – tax analysis software
 - GBST Unison – For management of membership organisations

GBST Capital Markets Products

Platform

Capability/market

Product suite

GBST Shares

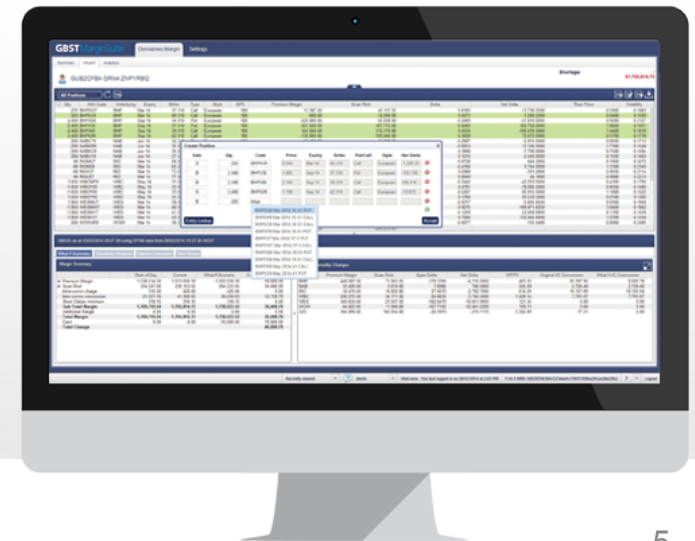
GBST DCA

- Leading Australian client accounting and securities transaction platform
- For capital markets' institutional and retail brokers
- Solutions include cash equities, derivatives and risk, margin lending, cash management and front office
- Connects an extensive network of financial institutions

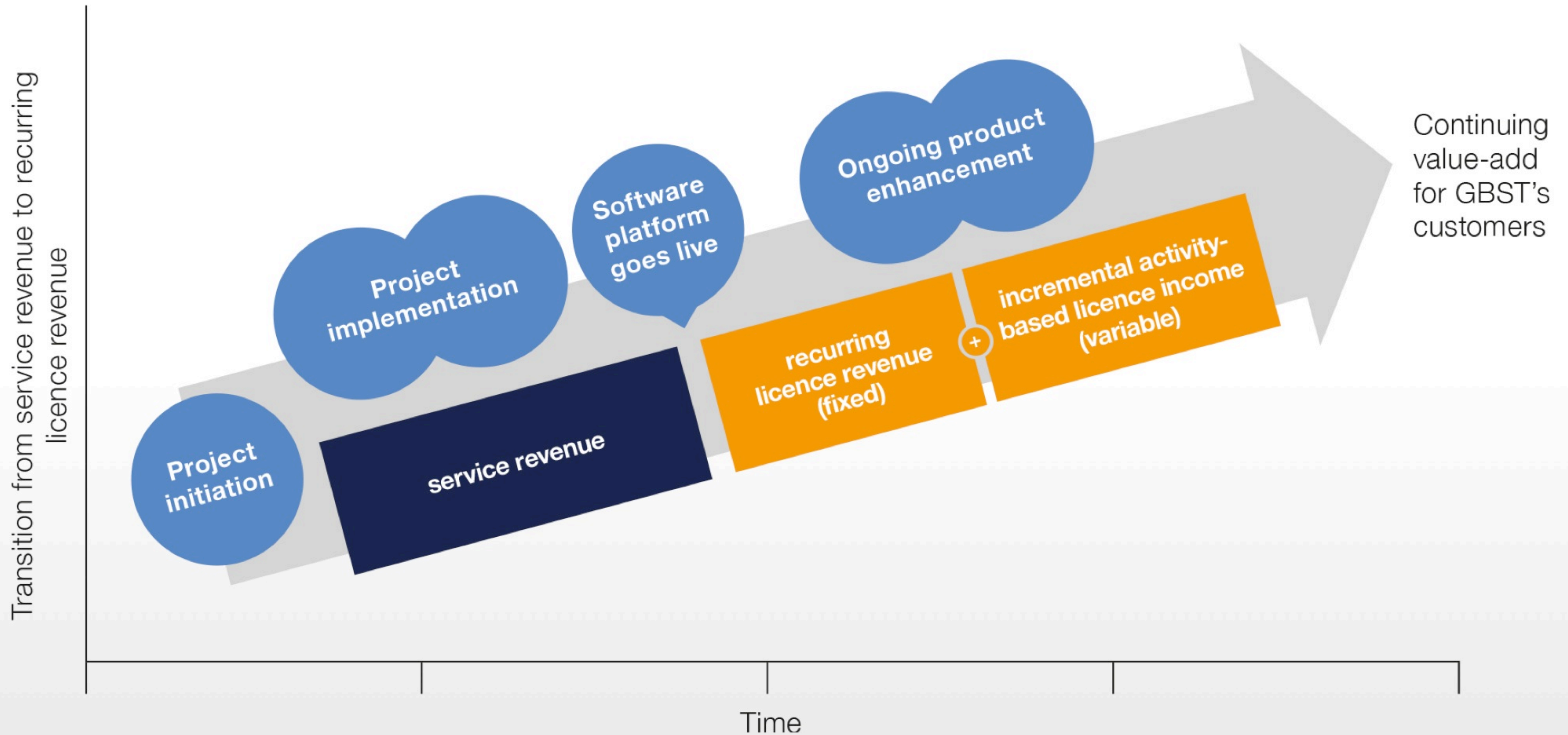
- GBST BIR – consolidates reports across all products
- GBST MarginSuite – Margin management tools for brokers; analytics for advisers, compliance and operations
- GBST Front Office – provides financial advisers, trading participants and third-party clearers access to real-time data

GBST Syn~

- Global post-trade processing platform
- Regional solutions for Asia, Australia, Europe and North America
- Manages trades across multiple asset classes, entities, markets and exchanges
- Consolidated business intelligence reporting

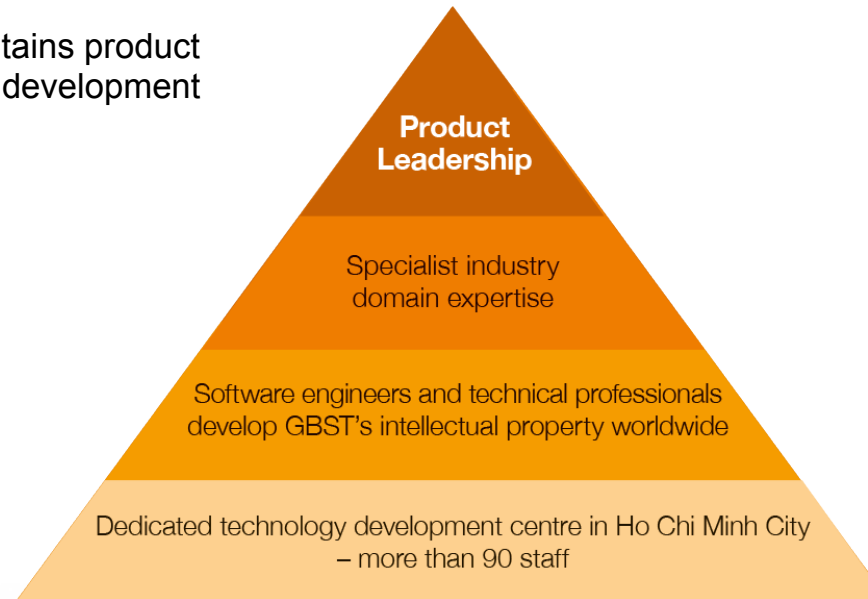


GBST's software platforms generate long-term recurring revenue



Research and Development

- Technology innovation maintains product leadership – recent product development includes:




GBST Composer

- Adapted to support deployment onto multiple relational database systems
- Compliance with UK Financial Conduct Authority's Client Assets Sourcebook (CASS)
- Added capability for guaranteed pensions products, dealing desk and CREST settlement
- Increased scalability for large platforms

GBST Syn~

- New middle office system for derivatives
- GBST BIR – enables cross product reporting
- GBST Margin Suite – helps brokers to manage risk
- Two broker transitions underway from GBST Shares to GBST Syn~

Indicative GBST Clients



USA

RAYMOND JAMES®

UK

AEGON AJ Bell Alliance Trust
Barnett Waddingham Fidelity I T G. justretirement

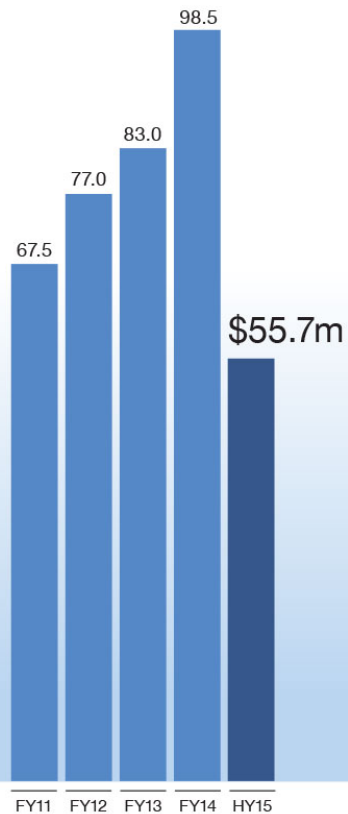
Asia

citi CLSA
MACQUARIE HSBC Standard Chartered

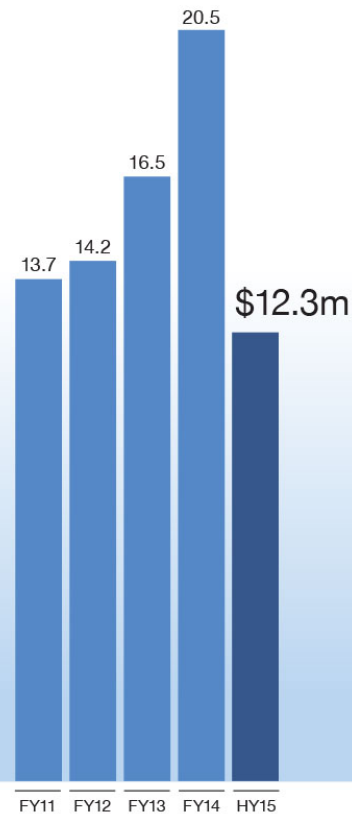
Australia

ANZ Westpac
nab BT
SUNCORP BANK J.P.Morgan
UBS Vanguard
Goldman Sachs Deutsche Bank
ORD MINNETT BELL POTTER
Morgans OnePath
Bendigo and Adelaide Bank CMC
Commonwealth Bank BLACKROCK

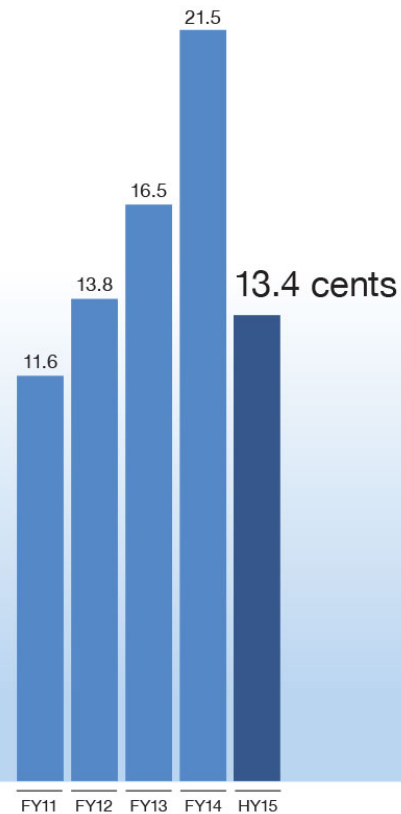
Financial Performance



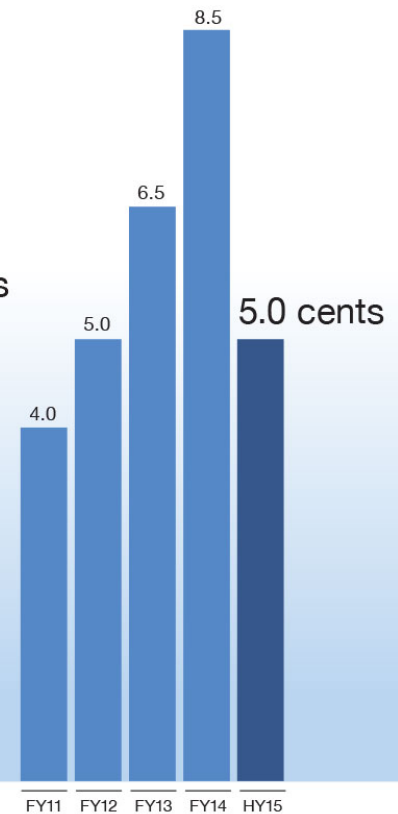
Group Total Revenue \$m



EBITDA \$m



Cash EPS cents



Dividends cents

H1 FY2015 – Financial Performance

Results for the half-year ended:	31-Dec-14 \$m	31-Dec-13 \$m	% Change
Revenue	55.7	49.0	14
Operating EBITDA	12.3	9.4	31
Operating EBITDA % margin	22%	19%	
Unallocated	0.0	0.3	
EBITDA	12.3	9.7	27
Finance income / (expense)	0.1	(0.4)	107
Depreciation & operating amortisation	(1.6)	(1.4)	(19)
Investment amortisation	(1.9)	(2.3)	16
PBT	8.8	5.6	56
Income tax expense	(1.8)	(1.2)	
Effective tax rate	21%	22%	
NPAT	6.9	4.4	58
Adjusted cash NPAT	8.9	6.7	33
EPS (cps)	10.4	6.6	58
Cash EPS (cps)	13.4	10.1	33

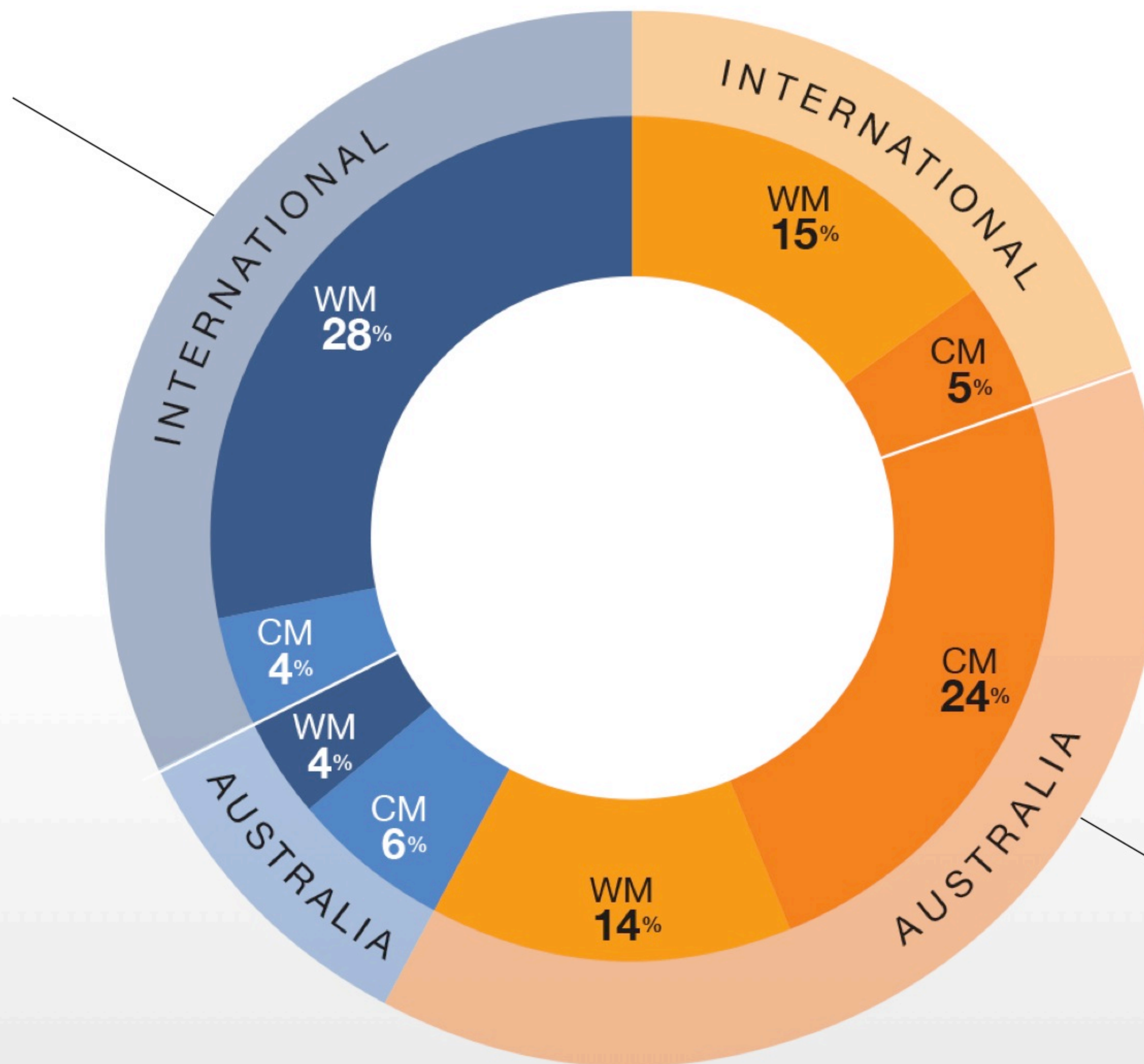
- Record revenue; strong growth in key geographies and product categories
- Record EBITDA result with margin improvement
- Finance income reflects positive cash position
- Depreciation and operating amortisation charges increased in line with revenue growth
- Investment amortisation charges decline as acquired intangible assets are depreciated
- Lower tax rate through R&D related tax concessions
- Adjusted cash NPAT includes add-back of investment amortisation charges

International sales now exceed Australian sales

International sales
52%

Services \$23.3m
42%

CM Capital Markets
WM Wealth Management

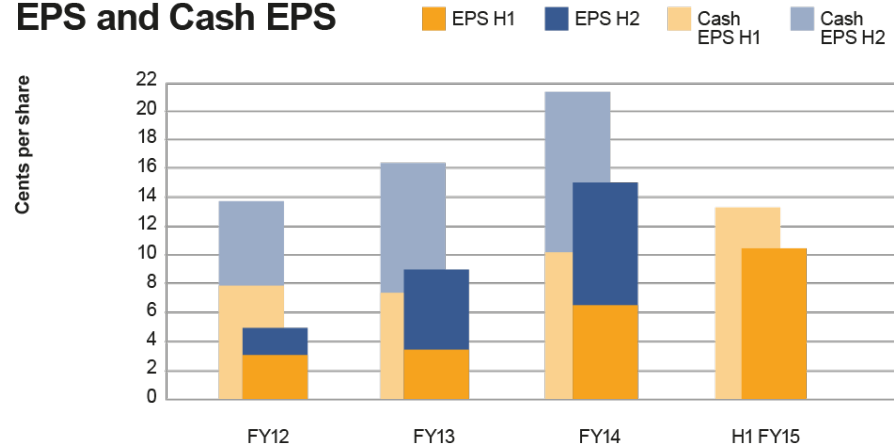


License \$32.2m
58%

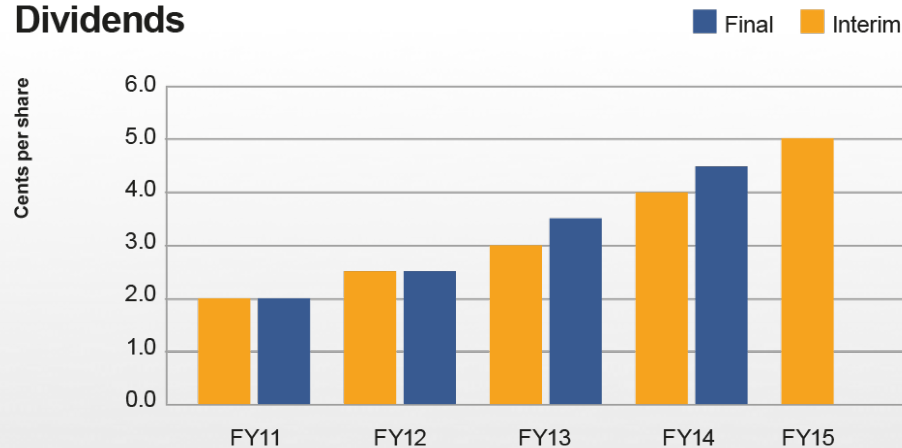
Australian sales
48%

EPS and Dividend

EPS and Cash EPS



Dividends



- Earnings per share improved to 10.4 cents per share in H1 FY2015, up 58% on the pcp
- Cash eps 13.4 cents per share
- FY2014 full year dividends 8.5 cents per share, fully franked
- Interim FY2015 dividend 5.0 cents per share, fully franked
- Dividend payout ratio 37% cash NPAT
- Franking credit balance \$16.2 million, up \$1.4 million (30 June 2014: \$14.8 million)

Financial Position

Financial position as at	31-Dec-14 \$m	30-Jun-14 \$m
ASSETS		
Cash	3.3	2.3
Other current assets	20.3	18.8
Intangible assets	55.2	56.5
Other non-current assets	13.9	13.8
TOTAL ASSETS	92.7	91.5
LIABILITIES		
Loans and borrowings - current	0.4	0.7
Unearned income	11.4	11.1
Other current liabilities	14.6	13.6
Loans and borrowings - non current	0.1	5.3
Other non-current liabilities	7.3	7.6
TOTAL LIABILITIES	33.9	38.2
NET ASSETS	58.9	53.3
EQUITY		
Issued capital	37.7	37.7
Reserves	(0.7)	(2.4)
Retained earnings	21.9	18.0
TOTAL EQUITY	58.9	53.3

- Intangible assets are being expensed over periods of 5-10 years
- Carrying value of intangible assets comprises InfoComp (\$32.0 million), Coexis (\$15.4 million), and other intangibles (\$7.8 million)
- Senior debt fully repaid
- Unearned income of \$11.4 million represents advanced payments from clients for licences and services; the balance varies due to timing of payments

GBST Wealth Management

- Flagship product GBST Composer provides a comprehensive platform for the Australian and UK retail and high net worth savings markets; now expanding into other platform markets
- Integrated, multi-distribution system for the administration of wraps and platforms, including adviser, direct-to-consumer and workplace platforms; self-invested personal pensions (SIPPs), life and pensions/superannuation
- Associated GBST products provide technology hub solutions, data analytics and quantitative services measuring portfolio performance
- GBST Composer UK sales \$23.7 million in H1 FY15, up 46% on H1 FY14
- GBST Composer Australian sales \$10.0 million in H1 FY15, up 4% on H1 FY14
- Margins are improving; will vary as the business and product evolves

Australia

- Market leader
- > 30 customers
- > 150 staff
- Mature business
- > 75% recurring revenue
- High margins built over time
- Main technical and product knowledge base
- Product investment continues e.g. GBST SuperStream

International

- Increasing market share
- 9 customers
- > 125 staff
- Growing business
- ~ 35% license revenue
- Margins around 15%, steadily improving
- Significant R&D investment
- New technology development centre in Vietnam; well integrated with global teams

GBST's Global Wealth Management Markets

	Market	How the market is changing	GBST position
UK	Total assets managed in the UK estimated at £6 trillion ¹ and growing	The Retail Distribution Review (RDR) implemented in the UK in 2012 and ongoing is the main driver of change UK wraps and platforms market expected to quadruple by 2020, driven by new legislation and budget changes	Significant long-term opportunity – market leading position
	More than £770 billion is held on retail UK mutual funds, including £260 billion in wraps and platforms	The UK platform /wrap sector is segmenting into 3 key platforms: <ul style="list-style-type: none"> • Adviser focused • Direct to Consumer (D2C) • Employer focused “WorkPlace” 	Composer supports three of the top six wraps and platform providers and is the market leading solution, with capability across all 3 channels A new wave of technology adoption is under way
	£2.7 trillion is housed in life company assets; includes £580 billion insured pensions market and £155 billion in self-invested personal pensions (SIPPs)	Main area of growth is direct contribution (DC) schemes Auto-enrolment of workplace pensions is adding new savers – 4 million new savers enrolled from 2012 to 2014; expected to increase to 9 million Annuities no longer compulsory, favouring digital distribution platforms; asset managers increasing focus on retirement income	Composer supports five of the leading pension providers in the UK; SIPP market share is ~10% Assets often housed on older technologies which could move to platforms Need for technology which can integrate with older systems and migrate information to new platforms
International	Global market for the asset management industry will increase to more than \$100 trillion by 2020 with a compound annual growth rate of nearly 6% ²	Reforms similar to RDR and FOFA are spreading globally More sophisticated retail wealth offerings	Implementation with foundation client in Asia under way – investigation has begun into other markets Supports multi-lingual, multi-country and multi-currency capabilities

1: Asset Management in the UK 2013 – 2014, Investment Management Association. 2: PWC, Asset Management 2020

GBST Wealth Management – **GBST Composer**

GBST Composer is a robust, scalable platform for:

- Platforms and wraps

Supports adviser-based, direct-to-consumer and corporate wrap models; enables end-to-end administration of wrap and platforms for retail, including direct offerings; and institutional customers

- Pensions and superannuation administration

Industry-leading capability for superannuation and pension administration; processes fees, commissions, cash management, valuations, legislative compliance, income drawdown and pension payments

- Funds management

Administration of managed funds for both retail and wholesale products

- Private banking / wealth management

Maintains the registry records of a single investor, or group of investors, while storing multiple holdings across an unlimited set of investments, retirement savings and income products

- Business process outsourcing (BPO) / third party administration

Fully compliant solution supporting the administration of third party products and services; combines with ComposerWeb, a comprehensive web-based front office solution for investor and adviser servicing

GBST Capital Markets

- GBST Syn~ processes equities, derivatives, fixed income and managed funds transactions for capital markets in Asia, Australia, Europe and North America
- In Australia, GBST also offers the GBST Shares and DCA platforms which are the most widely used middle- and back-office equities and derivatives systems
- Other GBST products provide fully integrated solutions for trading, clearing and settlement of multi-instruments, currencies and markets.
- Australian sales of GBST Shares and GBST Syn~ \$15.1 million in H1 FY15, up 2% on H1 FY14
- International revenue \$5.1 million from sales of GBST Syn~, down 20% on H1 FY14 in line with management expectations
- Licence based income and long term contracts contribute 80% of total

Australia

- Market leader
- > 35 customers
- Retail and institutional clients
- > 80 staff
- Mature business
- 90% recurring revenue
- High margins built over time
- Main technical and product knowledge base
- Transition from GBST Shares to Syn~ underway
- Continuing product investment

International

- Building market share, strong challenger position
- > 10 customers
- Institutional clients
- > 115 staff
- Growing business
- Growing Asian regional capacity
- Infrastructure spans 4 continents
- High proportion of service revenue
- Significant R&D expenditure
- Global growth strategy

GBST's Global Capital Markets

Financial services institutions are examining their business models

Brokers are focusing on developing comprehensive post-trade services for institutional clients

- Need for low-cost transaction processing, quality service and reliability
- Requires highly automated, low cost, robust operational platform
- High-quality technology and operational performance are important market differentiators
- Banks and broker-dealers face significant operational, technological and business model challenges to leverage their infrastructures to benefit third parties
- Investment and growth opportunities are shifting; in Asia/Oceania, markets can be grouped into developed markets (Hong Kong, Australia, Japan, Singapore and Indonesia) and developing markets (India, Malaysia, Vietnam, China)

The US opportunity is focused on firms replacing older 'legacy' technology to lower costs, increase automation and drive efficiency.

In Europe, cost reduction is key.

Growth opportunities in Asia including Japan; access to Chinese market is limited.



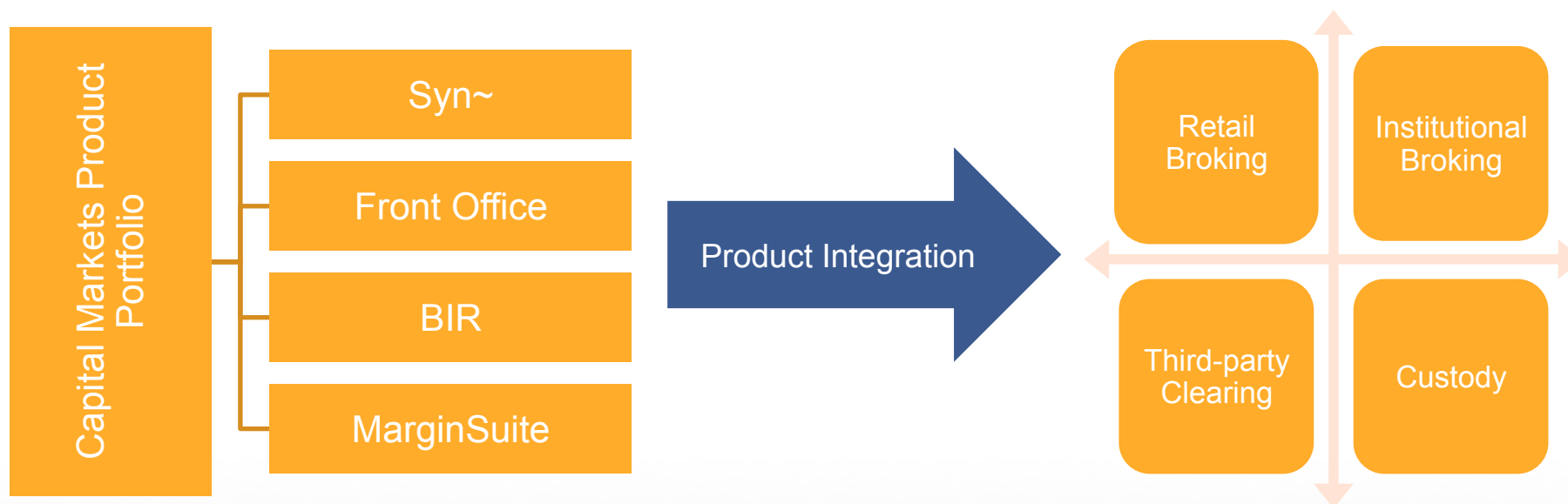
GBST Syn~ complete service across the broker-dealer value chain



¹ PWC, FS Viewpoint Jan 2013

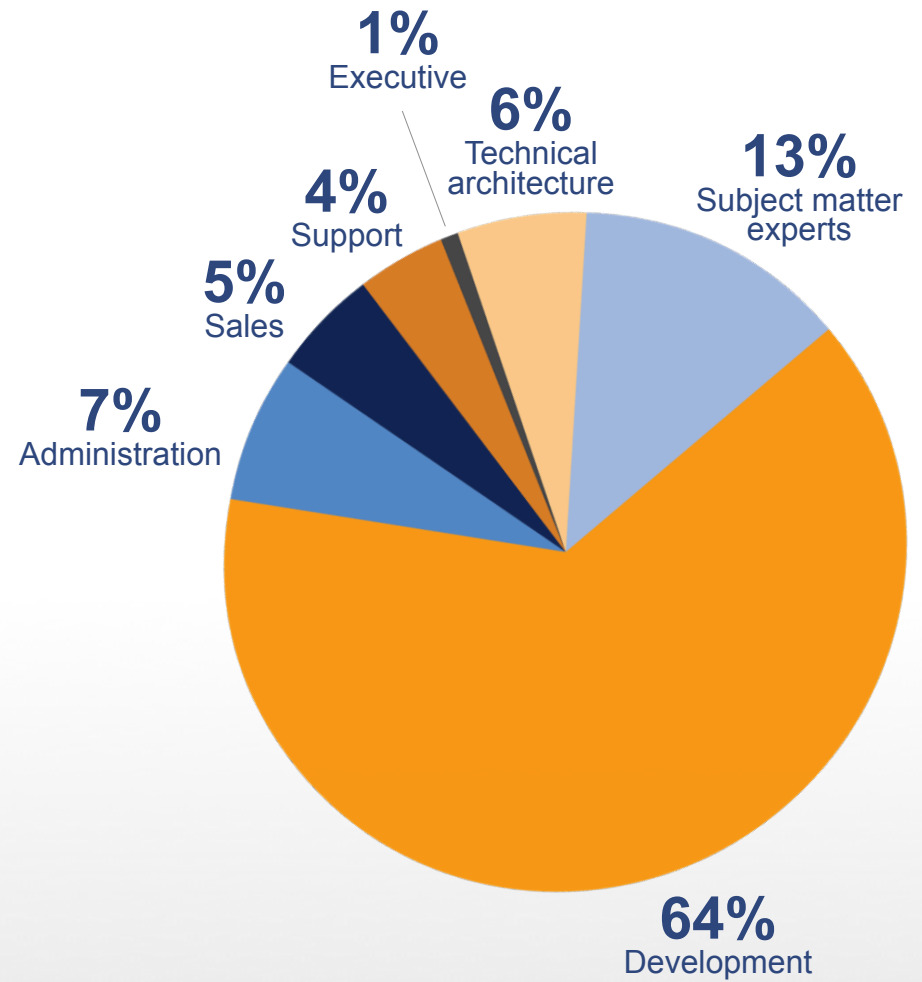
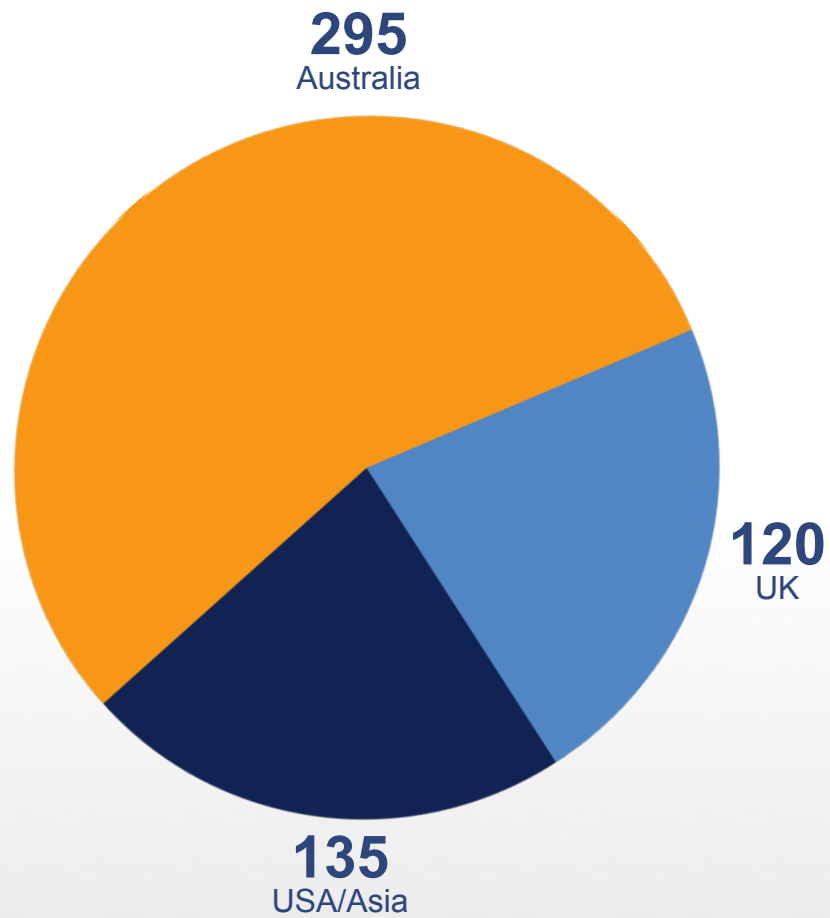


GBST integrates capital markets products for global expansion



- Multi-correspondent capabilities support different clearing and service provision models, paving the way for deployment of GBST Syn~ in cloud / multi-tenanted environments
- Internationalisation of the GBST Syn~ bookings engine provides a single bookings model for all global clients
- GBST MarginSuite extends compliance to provide brokers with powerful, intra-day firm-wide risk management
- GBST's business intelligence reporting (BIR) provides cross-product reporting capabilities
- New GBST Syn~ derivatives module enables processing of exchange-traded options and futures for local and global banks and brokers

Staff



Summary

GBST is a specialist global financial services software product company, providing solutions that generate recurring annuity revenue through participating in, and having exposure to, capital markets transactions processing, and wealth management asset administration.

- Leading new-generation financial technology software specialist
- International sales driving growth; international sales now exceed domestic revenue
- Consistent earnings per share and dividends growth
- GBST Syn~ now processing trades in Asia, Australia, Europe and US; increasing opportunities to provide regional solutions
- First Australian GBST shares to GBST Syn~ transition underway
- GBST Composer is the top direct-to-consumer software platform for the distribution of tax-incentivised products in the UK; market is expected to grow fourfold by 2020
- Continuing R&D investment to drive product development, supported by Vietnam-based technology development centre

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