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MARKET ANNOUNCEMENT

Date:	5 May 2016
To:	Australian Securities Exchange
Subject:	**Macquarie investor conference – Australia – May 2016**

Attached is the presentation to be delivered at today's investor conference in Sydney, Australia.

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About Computershare Limited (CPU)

Computershare (ASX: CPU) is a global market leader in transfer agency and share registration, employee equity plans, proxy solicitation and stakeholder communications. We also specialise in corporate trust, mortgage, bankruptcy, class action and utility administration, and a range of other diversified financial and governance services.

Founded in 1978, Computershare is renowned for its expertise in high integrity data management, high volume transaction processing and reconciliations, payments and stakeholder engagement. Many of the world's leading organisations use us to streamline and maximise the value of relationships with their investors, employees, creditors and customers.

Computershare is represented in all major financial markets and has over 15,000 employees worldwide. For more information, visit www.computershare.com

MARKET ANNOUNCEMENT

COMPUTERSHARE LIMITED

MACQUARIE AUSTRALIA INVESTOR CONFERENCE

Mark Davis

Chief Financial Officer

May 2016

CERTAINTY | INGENUITY | ADVANTAGE

Computershare

Today's agenda

- Company overview
- 1H16 results at a glance
- FY16 guidance
- Margin income
- Recent developments
  - UKAR appointment highlights
  - US mortgage servicing strategy
  - Blockchain
- Capital management
- Computershare core principles

Company overview

A leading global provider of administration services in our selected markets

Who we are

- Global market leader in transfer agency and share registration, employee equity plan administration, proxy solicitation and stakeholder communications
- Also specialise in mortgage servicing, corporate trust, bankruptcy, class action administration and a range of other business services

Our capabilities

- Renowned for our expertise in high integrity data management, high volume transaction processing, reconciliation, payments and stakeholder communications
- Many of the world's leading organisations use Computershare's services to streamline and maximise the value of relationships with their investors, employees, customers and other stakeholders

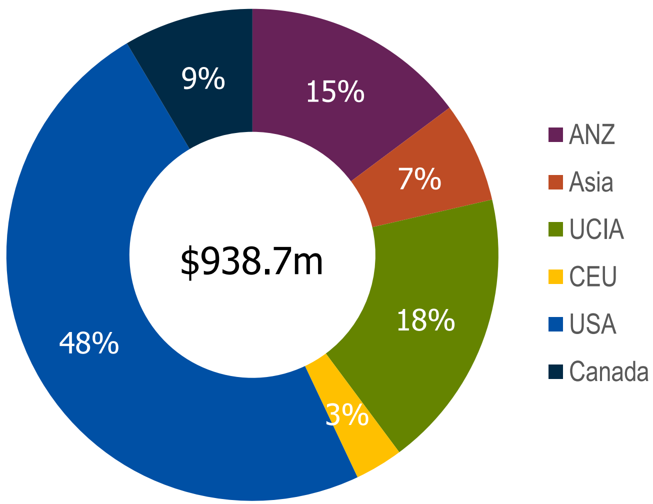
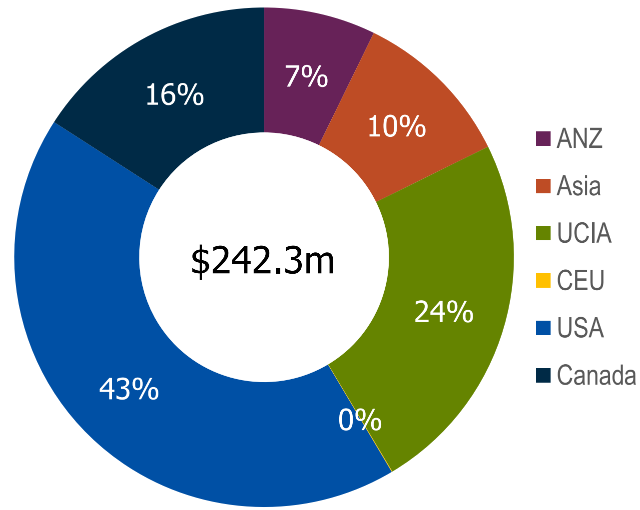
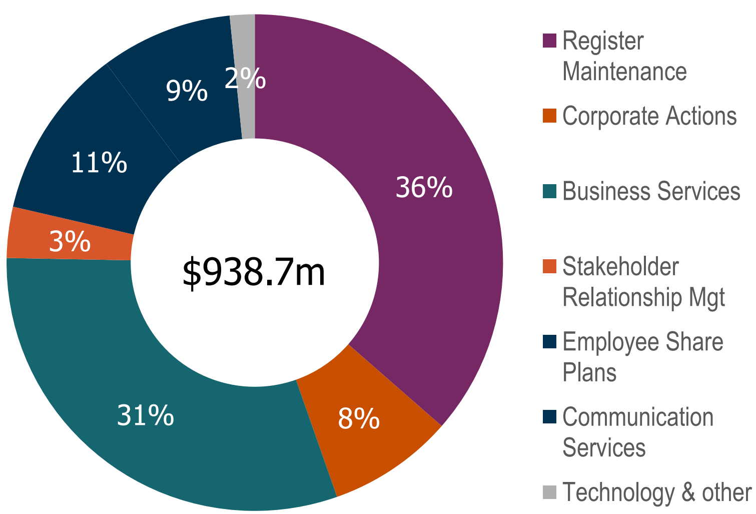
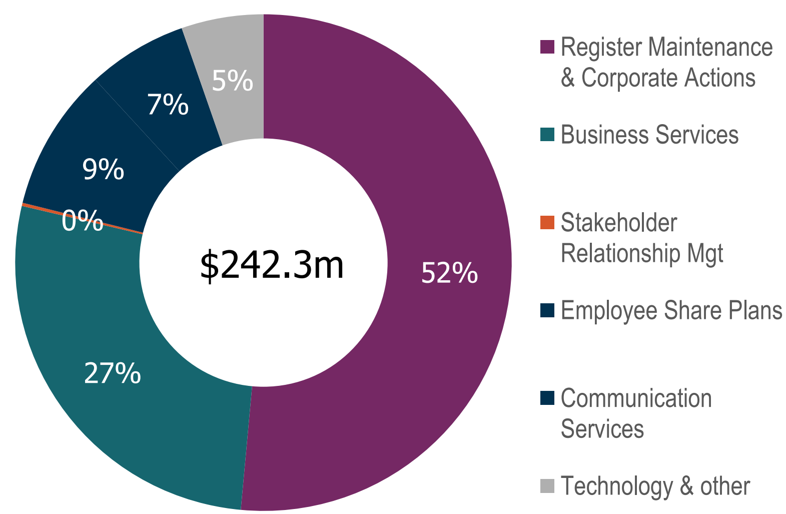
Our strategy and model

- Our strategy is to be the leading provider of services in our selected markets by leveraging our core competencies to deliver outstanding client outcomes from engaged staff
- We focus on new products and services to reinforce market leadership in established markets and invest in technology and innovation to deliver productivity gains and improve cost outcomes
- We have a combination of annuity and activity based revenue streams, strong free cash flow and ROIC > WACC

Growth drivers

- Leverage to rising interest rates on client balances, corporate action and equity market activity
- Investment in mortgage servicing and employee share plans to drive growth and improved returns
- Emerging trend of new non-share registry outsourcing due to rising compliance, technology complexity and requirement for efficient processing, payments and reconciliations

1H16 Computershare - at a glance

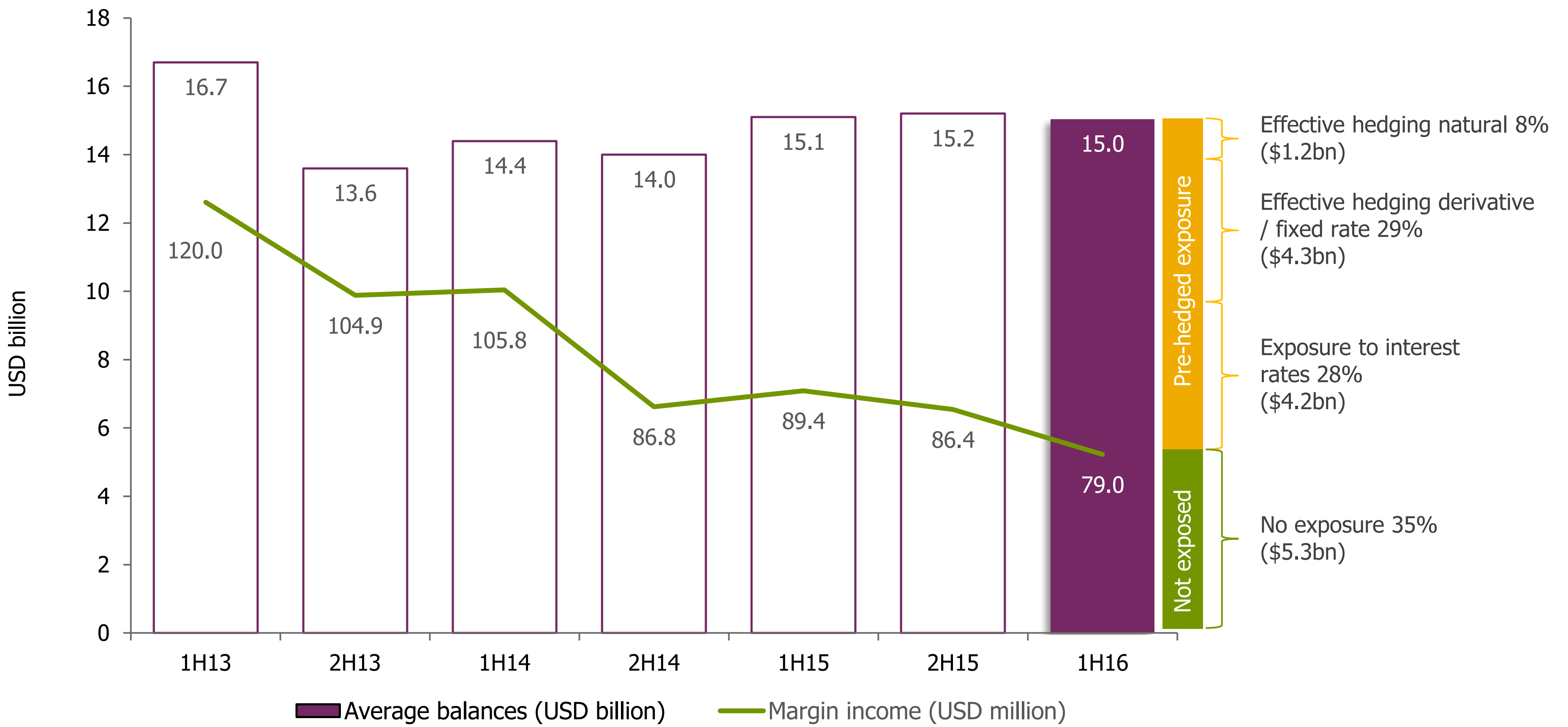
	Management revenue	Management EBITDA
By geography		
By business stream		

FY16 guidance

- In February 2016 we said that we expected the Group's Management EPS would be around 7.5% lower than FY15 and that we were seeing some softening in the operating environment
- We now have greater clarity on FY16 and reiterate our guidance that Management EPS is expected to be around 7.5% lower than FY15
- Our guidance assumes no material change to current market conditions for the balance of the fiscal year and that any contributions from the Capital Markets Cooperative LLC acquisition and the UKAR appointment will be immaterial in FY16

Margin income and client balances

Yield pressure continues but balances remain steady



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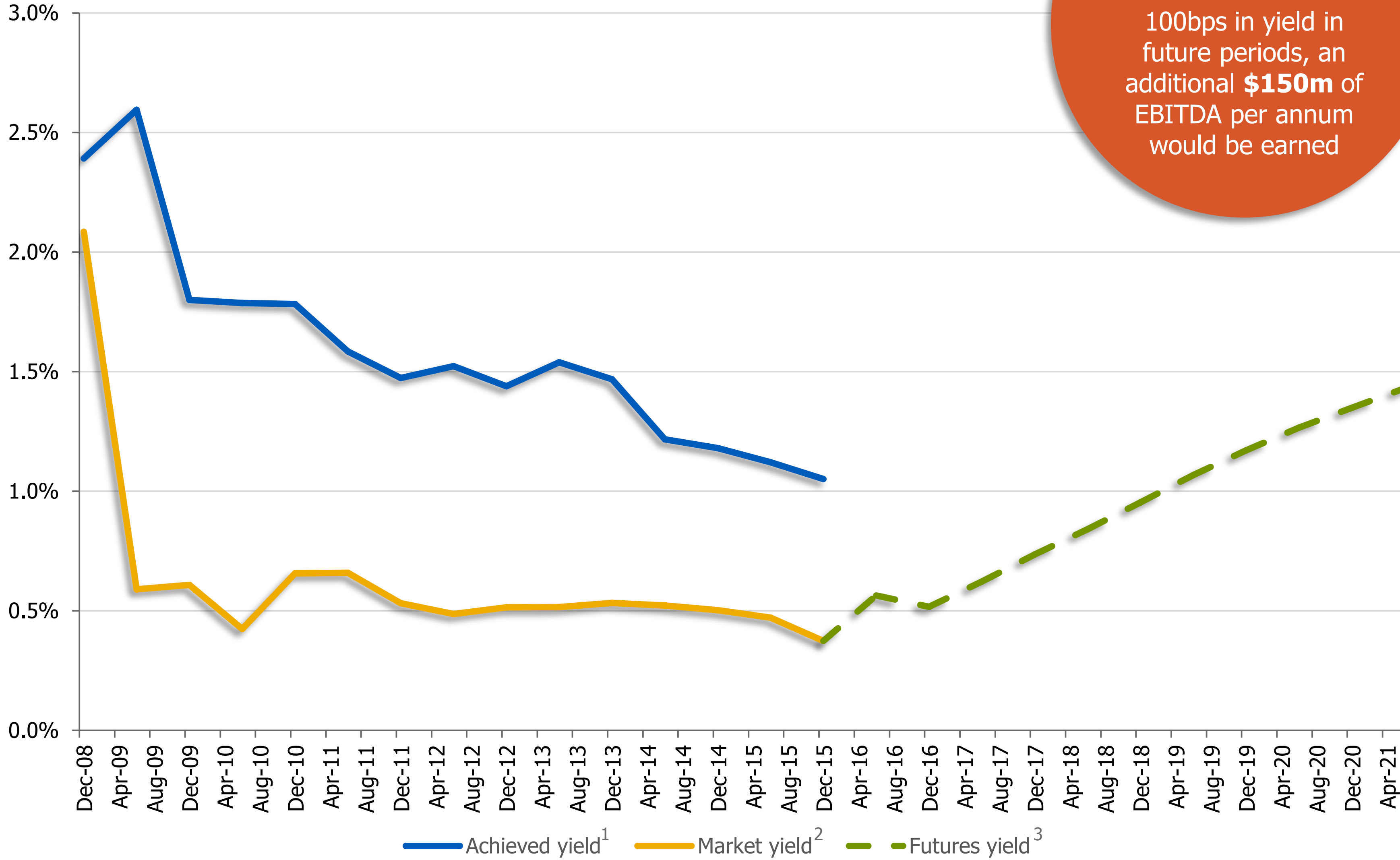
Client balances

Yield comparison



Assuming current balances remain steady and CPU is able to achieve an increase of 100bps in yield in future periods, an additional **$150m** of EBITDA per annum would be earned

[1] Achieved yield = annualised total margin income divided by average balance for each reporting period
[2] Market yield = avg. cash rate weighted according to client balance currency composition for each reporting periiod
[3] Futures yield = avg. quarterly implied rates weighted according to client balance currency composition at 31 Dec 15

UKAR appointment highlights

Financially attractive appointment that enhances strategic positioning

1. **Contract** – appointed by UK Government agency (UKAR) under a long term contract of 7 years to exclusively service a £30bn portfolio of mortgages. A separate £11bn portfolio that has been acquired by other parties will also be serviced. Projected revenues are approximately £600m over the 7 year period with 1,700 full time equivalent employees transferring to CPU

2. **Strong strategic fit** – provides scale and enhances CPU's position as the market leader in the emerging and potentially large UK outsourced mortgage servicing market. Strong combination with CPU's existing HML business. Well placed to win new clients and broaden revenue base

3. **Financially attractive** – modestly EPS accretive in first year. Profitable and cash flow positive throughout term. Scope for significant cost savings and synergies across the combined UKAR + HML business: circa £100m+ PBT expected over the 7 year period

4. **Capital light servicing** – fee for service contract. No balance sheet exposure such as purchasing mortgage servicing rights or providing advances as occurs in the US mortgage servicing market

5. **Enhances growth strategy** – a further step in executing CPU's mortgage servicing growth strategy along with the CMC acquisition in the US

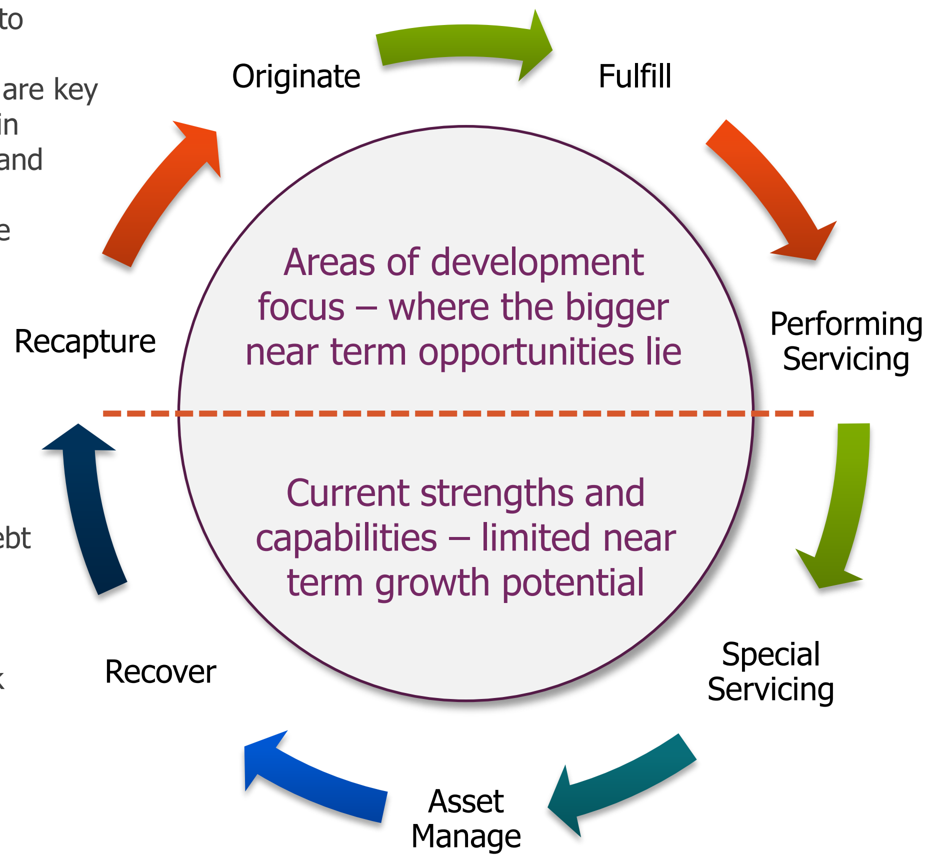
6. **Mortgage servicing fits well with CPU's core strengths -** leverages core CPU skills: managing large volumes of complex financial data requiring high integrity, in a timely, accurate and trusted manner in an industry that CPU knows well

US mortgage servicing strategy

Our objective is to build a capital light servicing business able to support all parts of the mortgage cycle

We do not nor do we intend to originate loans however partnerships with originators are key to our overall strategy, both in terms of driving new owned and sub-serviced business and in potentially directing recapture business

We are investing in building our fulfillment capabilities. This can be a lead into servicing opportunities, both sub-servicing and MSR purchases. CMC Co-Issue program will help drive greater performing servicing business



Asset management (of foreclosed properties) and debt recovery are closely aligned with special servicing and an integral part of SLS' core business. Our plan is to seek to sell these services to third parties

SLS' core business is special servicing. This is what drives the large compliance costs and regulatory risk, due to the sensitivities around the borrowers personal situations

US mortgage servicing strategy

Addressing our strategic challenges

Strategic challenge	Why we need to address	Impact of CMC
1. We need to acquire MSR in volume at the best possible price	› Drive scale › Manage run-off › Enhance RoIC	› Co-issue program provides steady flow and avoids bulk auction pricing › Provides access to new servicing opportunities earlier in cycle
2. We need to grow our sub-servicing business at a similar rate to the growth in our owned business	› Capital light › Helps drive scale efficiencies and maximises RoIC performance	› Provide multiple cross sell opportunities › Key clients are large consumers of sub-servicing business
3. We need to manage risk that legacy sub-servicing could fall away	› High concentration driven by GFC settlements › High oversight costs combined with reducing portfolio could encourage MSR owners to sell	› Expected to deliver steady replacement flow of new business › Provides access to over 200 clients and opportunity to further diversify servicing portfolio

US mortgage services

Surplus capital once optimal size obtained

We're expecting to deploy additional capital in the coming years. Upon reaching optimal scale, our after-tax cash flows will be able to replace our run-off AND deliver strong excess free cash flow

FOR ILLUSTRATION ONLY	KEY	VALUE $M	CALC
Example Target Portfolio (UPB)	A	**$ 10,000.0**	A
Avg Period UPB	B	$ 9,444.4	B
Assumed FMV (bps)	C	0.85%	C
Beginning MSR	D	$ 85.0	AxC
(-) Annual Amort	E	(9.4)	D/9
(+) New MSR	F	-	F
End MSR	G	$ 75.5	D-E
Avg Capital Deployed	H	$ 80.3	(D+G)/2
Annual Pre-tax Marginal Income (bps of UPB)	I	0.12%	I
PBT	J	$ 11.3	BxI
NPAT	K	$ 7.0	Jx62%
After Tax Cash Flow	L	$ 16.5	-E+K
(1) Portfolio Run-off	M	$ 1,111.1	A/9
(2) Replacement MSR Cost $ (run-off)	N	$ 9.4	-E
(3) Excess Remaining free Cash Flow	O	$ 7.0	K
Annualized RoIC	**P**	**20.52%**	L/H

Key assumptions:

- Purchase of a $10Bn portfolio at 85 bps
- Straight line amortization over 9 years
- Run-off in line with amortization
- Marginal PBT 12 bps of UPB
- Tax at 38% of PBT

Key outcome:

Replacing the servicing run-off of $1.1Bn in UPB would cost $9.4M, leaving $7M in surplus capital that could be distributed or invested in further growth

Note: 20.52% represents the marginal RoIC for a fully owned MSR purchase. Overall RoIC is enhanced by part-owned MSRs and sub-servicing business, as well as the broad mix of ancillary services such as fulfillment

Computershare

Blockchain

If blockchain technology is widely adopted across our markets Computershare is well positioned for market evolution and will endure

Our global presence and deep market knowledge makes us an attractive partner for blockchain solution providers. Connecting a registry platform directly to a trading platform is a logical construct for a streamlined and efficient market model and we are already doing this in the US with T0 (Overstock.com)

The issuer's agent will play a critical role in administering any distributed ledger solution and we do not envisage a scenario where this role goes away. Only one trusted party can logically act as a gateway for the issuer for the purpose of maintaining issued share capital etc, otherwise the system will lack the integrity it needs on a distributed basis

Computershare and SETL last week announced a joint initiative to establish securities ownership registers using blockchain technology in Australia. This initiative is focused on further building on SETL's existing working prototype for transferring ownership of securities. SETL has very deep capital markets domain knowledge

Capital management

We have announced a clear policy whereby we intend to maintain our gearing level such that net debt / EBITDA is between 1.75x – 2.25x (excluding the non-recourse SLS advance facility debt), with temporary flexibility to go above this range to take advantage of compelling investment opportunities. We will pursue capital management to maintain leverage within this target band

On 18 August 2015, we announced an on-market buy back having an aggregate value of up to AUD 140 million. To date we have spent AUD 83.9 million on the buy back. The governance impediment to buying back during the UKAR negotiations has now been resolved with yesterday's ASX market announcement confirming our appointment

We are also presently reviewing our real estate assets as part of our ongoing focus to optimise our balance sheet and recycle capital to drive enhanced returns and last week announced plans to sell and lease back our global headquarters

Computershare core principles

We are creating a simpler, more transparent and disciplined Computershare with greater disclosure

Continuing to focus on building and protecting scale in core markets to drive operating leverage, profitable growth and improved returns

Executing multi year strategies to drive growth, address challenges and improve productivity

Driving technology to provide superior customer service, enhance and entrench customer relationships and innovate with new products to increase value

An ongoing commitment of execution and disciplined use of capital has to be a core principle of everything we do

Important notice

Forward-looking statements

- This announcement may include 'forward-looking statements'. Such statements can generally be identified by the use of words such as 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'believe', 'continue', 'objectives', 'outlook', 'guidance' and similar expressions. Indications of plans, strategies, management objectives, sales and financial performance are also forward-looking statements.
- Such statements are not guarantees of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Computershare. Actual results, performance or achievements may vary materially from any forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements, which are current only as at the date of this announcement.