



Release to the Australian Stock Exchange

Bravura Solutions Limited

Full Year 2017 financial results exceed IPO prospectus forecasts

Sydney, 23 August 2017 – Bravura Solutions Limited (ASX:BVS, Bravura) a leading provider of enterprise software for the wealth management, life insurance and funds administration industries – today announced its full year results for the period ended 30 June 2017.

Group revenue, pro forma EBITDA and NPAT exceed IPO prospectus forecast

- Group revenue grew **3.9%** to **\$191.9 million** exceeding IPO prospectus forecast revenue of **\$187.6 million** by **2.3%**
- Group pro forma EBITDA of **\$32.6 million** exceeds IPO prospectus forecast EBITDA of **\$32.3 million** by **0.8%**
- Group pro forma EBITDA margin was **17.0%** versus **10.9%** in the prior comparative period (pcp)
- Group pro forma NPAT of **\$22.3 million** exceeds IPO prospectus forecast NPAT of **\$21.0 million** by **6.0%**
- As at 30 June 2017 Bravura had net cash of **\$11.4 million**

Wealth Management segment revenue exceeds IPO prospectus forecast

- Wealth Management revenue of **\$122.7 million** exceeds IPO prospectus forecast revenue of **\$121.6 million** by **0.9%**
- Wealth Management operating EBITDA of **\$30.3 million** meets IPO prospectus forecast operating EBITDA of **\$30.3 million**
- Sonata Revenue now accounts for **48%**, or **\$92.8 million**, of Wealth Management revenue, exceeding the IPO prospectus forecast of **\$92.0 million** by **0.9%**

Funds Administration segment revenue and operating EBITDA exceed IPO prospectus forecast

- Funds Administration revenue was **\$69.2 million**, exceeding IPO prospectus forecast revenue of **\$66.0 million** by **4.9%**
- Funds Administration operating EBITDA of **\$31.7 million** exceeds IPO prospectus forecast EBITDA of **\$30.5 million** by **4.0%**

Strong market demand for Bravura's products continues

- Sonata's modern, open architecture and digital capabilities have driven client adoption and developed a market leading position
- Four major new Australian, UK and South African Sonata clients signed
- Two new Funds Administration SaaS sales completed
- Sales pipeline remains strong with no visible impact from BREXIT other than FX

Dividend to be paid in line with IPO prospectus payout range

- The Company will pay a final dividend on **28 September 2017** in respect of the period from completion of our 2016 listing to 30 June 2017.
- The dividend for the listing period will be unfranked at **4.5 cents** per ordinary share representing a pro-rata pro forma NPAT payout of **70%** in line with the IPO prospectus forecast range of 60% to 80%.



Bravura Chairman, Brian Mitchell said: “A record year with key financial metrics above IPO prospectus forecast and well above FY2016. This excellent first year result since our IPO in November 2016 saw group revenue, pro forma EBITDA and NPAT all exceed IPO prospectus forecasts. Strong progress has been made this year consolidating our market positions in the UK and Australia with new sales of Sonata, and expanding in South Africa with our first Sonata sale in that market. Brexit has had no visible effect on UK sales (other than FX) with both Wealth Management and Funds Administration segments delivering strong sales.”

Group Results - Strong financial performance exceeding prospectus forecasts

Strong financial performance across operating segments has resulted in positive year on year growth across revenue, pro forma EBITDA and NPAT, beating forecasts in the IPO prospectus.

Revenue was driven by significant new client wins over the year, and growth in revenue from existing clients. The total number of Sonata clients at 30 June 2017 was 20, following three new client wins in the first half and one in the second half of the year. Group pro forma revenue was \$191.9 million, up +16.8% versus the pcg on a constant currency basis², and +3.9% on an actual currency basis.

Group pro forma EBITDA of \$32.6 million, exceeded the IPO prospectus forecast of \$32.3 million, and represented an increase of \$18.3 million and +128.4% versus pcg on constant currency basis², and +61.4% on an actual currency basis.

Group pro forma NPAT was \$22.3 million, up significantly versus pcg on constant currency basis², and +227.5% on an actual currency basis.

As at 30 June 2017, Bravura had net cash of \$11.4 million.

Pro forma ¹ financials						
A\$m			Growth		Constant currency ²	Growth
	FY 2017	FY 2016	A\$m	%	FY 2016	%
Revenue	191.9	184.7	7.2	3.9%	164.3	16.8%
Wealth Management Revenue	122.7	99.6	23.1	23.2%	92.7	32.4%
Funds Administration Revenue	69.2	85.1	(15.9)	-18.7%	71.6	-3.3%
Segment Operating EBITDA	62.0	50.2	11.8	23.6%	42.1	47.4%
EBITDA	32.6	20.2	12.4	61.4%	14.3	128.4%
NPAT	22.3	6.8	15.5	227.5%	1.6	>1000%
Key metrics						
EBITDA Margin %	17.0%	10.9%			8.7%	
NPAT Margin %	11.6%	3.7%			0.9%	
Sonata Revenue	92.8	66.8	26.0	38.9%	60.8	52.7%
Average FTE's (#)	1,042	935	107	11.5%		
Number of Sonata clients (#)	20	16	4	25.0%		

Notes:

1 Proforma EBITDA and NPAT have been prepared consistently with the IPO Prospectus, adjusting for the removal of the impact of \$2.7m IPO transaction fees and the Company's historical capital structure (FY 2017 \$4.2m of net finance expense and FY 2016 \$11.5m of net finance expense)

2 Prior comparative period (periods) restated using FY2017 average foreign exchange rates in order show constant currency comparison



Wealth Management segment - New sales of Sonata are driving revenue growth

Wealth Management segment revenue increased +23.2% to \$122.7 million versus the pcg, or +32.4% on a constant currency² basis. Sonata Revenue increased by +38.9% to \$92.8 million versus pcg, or +52.7% on a constant currency basis². Sonata revenue growth was driven by four new sales and an increase in professional services revenue from existing clients.

Wealth Management segment pro forma operating EBITDA increased by +203.1% to \$30.3 million versus \$10.0 million in the pcg, achieving 100% of IPO prospectus forecast. Segment operating EBITDA margins increased 14.7 margin points to 24.7% from 10.0% in the pcg through higher operating leverage driven by major new Sonata contracts signed in the UK, Australia and South Africa.

Bravura's South African strategy has yielded its first new sale of Sonata in that market during the year with STANLIB Wealth, a significant wealth management business in South Africa, and the sales pipeline remains strong.

Funds Administration segment - High margin business delivers stable, strong cash flows

Funds Administration segment revenue declined less than forecast for FY 2017 by -3.3% on a constant currency² basis supported by two new SaaS sales, a major license renewal and a Babel licence sale signed in FY 2017. On an actual currency basis, Funds Administration segment revenue declined -18.7% to \$69.2 million versus pcg, impacted by the depreciation of GBP over FY 2017, with 85% of Funds Administration revenues denominated in GBP.

The Funds Administration segment operating EBITDA at \$31.7 million was +4.0% above IPO prospectus forecast of \$30.5 million. Segment operating EBITDA for the period declined by -21.1% to \$31.7 million from \$40.2 million in the pcg, and on a constant currency² basis by -5.2%. Operating EBITDA margins stable in FY 2017 versus the pcg.

New pipeline opportunities for Sonata and the SaaS offering in the UK Funds Administration segment support the UK sales pipeline which remains strong with no visible impact from BREXIT other than FX.

Bravura CEO, Tony Klim said: "The continued rapid adoption of Sonata driven by strong market tailwinds and a large addressable market has driven the success we have enjoyed in FY 2017. Sales of Sonata have helped expand our global footprint in the wealth management segment with sales this year across all of Bravura's operating geographies with four new sales of Sonata in the wealth management segment during the year, two in the UK, one in Australia and one in South Africa taking the total number of Sonata sales to 20 globally. In funds administration our newest SaaS offering in the UK market is helping to extend our already leading position in that segment with two new sales in the year."

Outlook 2018

The sales pipeline remains strong with no visible impact from BREXIT other than FX. Sales will be driven by the continued roll out of Sonata in core geographies, and expanding sales of Sonata into new geographies, including additional new pipeline opportunities for Sonata in the Funds Administration Segment. Further sales of Funds Administration SaaS will support revenue in Funds Administration.

Bravura continues to maintain a strong pipeline of development activity to meet the needs of both current and future clients across our products.

Development capital expenditure is expected to decrease following FY 2017 as non-client funded development reduces and more development is client funded.

EPS growth is forecast to be in the mid-teens in FY 2018.



-ENDS-

Results Announcement teleconference details

A teleconference and webcast briefing for analysts and investors will be held at **09:30 (AEST)** following the release of the full year results announcement.

Teleconference details

Conference ID: 5895 9764

	Direct	Toll Free
Australia	+61 2 8038 5221	1800 123 296
New Zealand		0800 452 782
Hong Kong		800 908 865
United Kingdom		0808 234 0757
United States		1855 293 1544

Webcast details

The webcast is accessible 15 minutes before the briefing starts.

<http://www.openbriefing.com/OB/2585.aspx>

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About Bravura Solutions Limited

Bravura Solutions Limited is a leading provider of enterprise software, for the wealth management, life insurance and funds administration industries, underpinned by functionally rich technology that enables modernisation, consolidation, simplification and consumer focused marketing.

We are committed to increasing the operational and cost efficiency of our clients, enhancing their ability to rapidly innovate and grow, minimising their risk and enabling them to provide better service to their customers.

Backed by over 30 years of experience, enterprise software is used by many of the world's leading financial institutions. In excess of A\$2.5 trillion/ £1.5 trillion in assets are entrusted to our systems.

We support our clients with a team of more than 1000 people in 12 offices across Australia, New Zealand, United Kingdom, Europe, Africa and Asia.

For more information about us visit www.bravurasolutions.com. You can also follow us @BravuraFinTech.