

FY20 HALF YEAR RESULTS PRESENTATION

12 February 2020

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CERTAINTY







INGENUITY

ADVANTAGE

Computershare

1H20 Executive Summary

Resilient operating performance – EPS impacted by interest rates and tax

					
Revenue		EBITDA		EPS	
\$1,141.7m	1.2%	\$338.7m	2.2%	29.12 cents	16.7%

Computershare has delivered a resilient operating performance. However, 1H20 Management EPS impacted by reduced margin income, increased tax rate and UK Mortgage Services. Full year guidance affirmed – Management EPS to be down around 5%.

Adjusting for IFRS16 benefit, the disposal of Karvy last year and margin income, EBITDA was flat. Recurring revenues increased, up 2.6%, now accounting for 78.3% of Group total, offsetting the decline in event-based revenues.

Management results are expressed in constant currency throughout this presentation unless otherwise stated. Constant currency equals 1H20 results translated to USD at 1H19 average exchange rates. All figures in this presentation are presented in USD millions, unless otherwise stated. Reconciliation of statutory to management results can be found on slide 22

FY20 unwrapped

2H factors support earnings guidance

1H Positives

- Increase in recurring revenues 78.3% of Group total, up from 76.1%, offsetting the declines in event-based revenues
- Issuer Services – continuing to make progress in new complementary large markets
- Employee Share Plans up 23.5% revenue growth. Equatex financial performance ahead of plan, strong equity markets supported transaction volumes
- US Mortgage Services up 42.6% revenue growth. Disciplined investment to take advantage of strong market conditions
- Free cash flow up 68.5%

1H Negatives

- Headline EBITDA Margin 29.7%, up 30bps. Adjusting for IFRS16 and the Karvy disposal, EBITDA margin 27.6%, down 160bps
- Margin Income revenue down 6.5%. Timing of interest rate cuts (3 rate cuts in US occurred earlier than anticipated)
- UK Mortgage Services profit impacted by delayed migration of UKAR portfolio – as announced at Investor Day
- Higher margin Corporate Actions revenue down 16.7%, weak levels of completed M&A
- Stakeholder Relationship Management revenue similarly impacted by lower transaction activity
- Tax rate 31.6%, underestimated tax implications in Mortgage Services profit mix and new impact of Base Erosion Anti Abuse Tax in the US

2H Tailwinds

- Growing contribution from new US Issuer Services businesses
- Continued momentum in Employee Share Plans and US Mortgage Services
- UK Mortgage Services migration on track to be completed by May 2020. Cost reductions in line with expectations
- Cost out programs continue to deliver
- 2H tax rate expected to be lower than 1H. 29-31% expected for the full year

2H Headwinds

- Margin Income – assuming lower average yields in 2H
- Corporate Actions activity expected to remain weak
- US Mortgage Services strip sales expected – release capital, reduced revenue contribution from partly owned MSR. Higher amortisation expense as a result of 1H investment
- Higher net interest charge following completion of Corporate Creations acquisition

FY20 Outlook

Management EPS guidance unchanged – down around 5%



FY20

- › As we said in November at the AGM, we continue to expect Management EPS for FY20 to be down around 5% in constant currency
 - Mortgage Services and Employee Share Plans expected to offset weak Corporate Actions, lower margin income and a higher tax rate
 - Continued growth of high quality, resilient core businesses with recurring revenue
 - Guidance implies 2H20 Management EPS of around 1.5 cents per share greater than 2H19 Management EPS
 - Guidance subject to assumptions below











Assumptions

- › We now expect margin income revenue for the year to be down by around 8-10% versus FY19
- › Equity markets remain at current levels
- › Corporate Actions activity levels expected to remain subdued
- › We now expect the Group tax rate to be 29-31% in FY20 compared to 26.5% in FY19
- › The weighted average number of ordinary shares on issue to be the same as FY19 i.e. no benefits from the share buy-back included
- › For constant currency comparisons, FY19 average exchange rates are used to translate the FY20 earnings to USD (refer to slide 89)
- › For comparative purposes, the base FY19 Management EPS is 70.24 cents

FY20 key priorities – execution scorecard

Delivering on strategic plans

1. PROGRESS THE RESTRUCTURE OF OUR UK MORTGAGE SERVICES BUSINESS	PROGRESS All asset migrations on track to be completed by May 2020. Cost out program underway. EBITDA impact as expected	RESULT 	4. CONTINUE TO DELIVER MEASURABLE ORGANIC GROWTH IN ISSUER SERVICES – OUR LARGEST BUSINESS	PROGRESS Delivered slight operating revenue growth in US Register Maintenance Investing to enhance scale and capability – Corporate Creations	RESULT  
2. CONTINUE TO GROW OUR US MORTGAGE SERVICES BUSINESS	PROGRESS UPB up 9.6% with margin expansion in the US. Increased MSR investments in a robust market environment. Accelerated levels of run-off	RESULT  	5. CONTINUE TO TRANSITION TO GLOBAL BUSINESS LINES AND GLOBAL SERVICE MODEL	PROGRESS Global business structure established – increased focus on growth and customer experience	RESULT 
3. PROGRESS THE UPGRADE OF OUR SHARE PLANS CLIENTS TO EQUATEPLUS	PROGRESS 250 UK and European clients upgraded to EquatePlus platform	RESULT 	6. PROGRESS OUR EFFICIENCY INITIATIVES	PROGRESS Cost out programs continue to progress to plan	RESULT 

Laying the foundations for long term growth and returns



Growth

- > Management revenues \$1,141.7m, +1.2%. Excluding margin income (\$117.1m v \$125.2m) and adjusting for Karvy revenue, disposed in 1H19 (\$23.4m) Management revenues \$1,024.6m, +4.6%
- > US Mortgage Services tracking well to new growth levels with UPB of \$111.6bn, up 9.6%. Scale benefits, servicing mix and efficiency gains support ongoing margin expansion. Capital employed \$647.1m. Future growth expected to be less capital intensive – continuing to progress to free cash flow ROIC target – 12-14% post tax
- > Employee Share Plans strong increase in transaction fees given positive equity market conditions. Equatex financial performance exceeding expectations. Upgrade of UK and European clients to EquatePlus platform underway and on track, with Asia, US and Australia to follow
- > Investing for long term growth in Issuer Services – scope to leverage core registry skills in private markets, registered agent and entity management. Corporate Creations acquisition provides platform and capabilities to build scale in registered agent market



Profitability

- > Management EBITDA \$338.7m, +2.2%. EBITDA margin 29.7%, up 30bps. EBITDA ex margin income +7.5%
- > Excluding margin income (-\$8.1m), and adjusting for the impact of IFRS16 (+\$23.9m to 1H20 EBITDA) and Karvy disposal (+\$8.6m in 1H19), Management EBITDA \$197.7m v \$197.6m
- > Margin income revenue negatively affected by earlier than anticipated rate cuts and lower balances
- > Cost out programs progressing well with contributions as expected
- > UK Mortgage Services and Employee Share Plans cost reduction programs/synergy benefits on track with additional contributions to come
- > Higher effective tax rate of 31.6% inflated with higher share of US profits/lower UK profits in geographic mix



Capital Management

- > Strong net operating cash flow, +41.7% with improved working capital position
- > Net debt to EBITDA leverage ratio below mid point target range at 1.97x. Following completion of Corporate Creations acquisition, the ratio is expected to be towards the top of Computershare's target range (1.75x to 2.25x) and is expected to reduce with free cash flow generation in the 2H
- > Disciplined investments in US Mortgage Services, \$139.3m in MSR purchases, to take advantage of buoyant market conditions.
- > Group capex \$14.0m, vs. \$33.6m (includes US data centre build costs)
- > ROE 22.8% -360 bps reflecting reduced earnings
- > On market share buy-back, 2,076,275 ordinary shares acquired at average price of AU\$15.85 at a total cost of AU\$32.9m
- > AU 23 cents interim dividend, +9.5% franked at 30%

Management revenue by business stream

Revenues up 1.2%, +4.6% adjusting for margin income and Karvy

	1H20 @ CC	1H19	CC Variance	1H20
Issuer Services	\$430.5	\$471.8	-8.8%	\$424.3
Mortgage Services & Property Rental Services	\$348.2	\$302.4	+15.1%	\$343.9
Employee Share Plans & Voucher Services	\$151.5	\$126.6	+19.7%	\$148.8
Business Services	\$121.4	\$134.1	-9.5%	\$120.8
Communication Services & Utilities	\$86.7	\$87.6	-1.0%	\$83.1
Corporate & Technology	\$3.5	\$5.4	-35.2%	\$3.3
Total Group	\$1,141.7	\$1,127.8	+1.2%	\$1,124.3

- > Group revenues increase by 1.2% with the balance of growth in Mortgage Services & Property Rental Services, +15.1% and Employee Share Plans & Vouchers, +19.7% offsetting declines in Corporate Actions (-16.7%) and Stakeholder Relationship Management (-48.5%)
- > Revenue excluding margin income and Karvy disposal (1H19 \$23.4m) was +4.6% at \$1,024.6m. A strong result given UKAR Fixed fee reduction as expected (\$19.7m)
- > Business Services ex Karvy was up 3.6%
- > Employee Share Plans & Vouchers includes full 6 months contribution from Equatex compared to 7 weeks benefit in 1H19
- > Corporate & Technology includes third party technology revenues, rental income and other corporate related transaction income

Issuer Services

Resilient Register Maintenance with lower event-based revenues

	1H20 @ CC	1H19 Actual	CC Variance
Register Maintenance	\$326.1	\$334.3	-2.5%
Corporate Actions	\$73.8	\$88.6	-16.7%
Stakeholder Relationship Management	\$18.3	\$35.5	-48.5%
Issuer Services - Other	\$12.2	\$13.4	-9.0%
Total Issuer Services revenue	\$430.5	\$471.8	-8.8%
Issuer Services EBITDA	\$130.1	\$161.0	-19.2%
EBITDA margin %	30.2%	34.1%	-390bps
EBITDA ex MI	\$85.4	\$99.9	-14.5%
EBITDA margin ex MI %	22.1%	24.3%	-220bps

- › Issuer Services provides listed and private corporates with registry, corporate actions, proxy solicitation and governance, entity management, registered agent and company secretarial services
- › Register Maintenance revenues, -2.5%. Adjusting for Karvy (\$5.5m contribution of registry revenues in 1H19) and margin income, -0.9%
- › US Registry revenues increased slightly +0.1% excluding margin income contribution. Further US margin expansion. New client wins to assist 2H performance
- › Weak Corporate Actions revenues, -16.7% and Stakeholder Relationship Management revenues, -48.5% macro uncertainty impacting event-based activity levels
- › Register Maintenance & Corporate Actions combined EBITDA \$130.2m, down 14.7%. Stakeholder Relationship Management 1H20 EBITDA is \$2.9m (1H19 \$9.9m)

Employee Share Plans

Equatex continues to outperform

	1H20 @ CC	1H19 Actual	CC Variance
Fee revenue	\$67.6	\$57.2	+18.2%
Transactional revenue	\$62.9	\$45.8	+37.3%
Margin income	\$6.5	\$7.0	-7.1%
Other revenue	\$7.1	\$6.6	+7.6%
Total Employee Share Plans revenue	\$144.1	\$116.7	+23.5%
Employee Share Plans EBITDA	\$27.5	\$22.1	+24.4%
EBITDA margin %	19.1%	18.9%	+20bps
EBITDA ex MI	\$21.0	\$15.1	+39.1%
EBITDA margin ex MI %	15.3%	13.7%	+160bps

- > Strong revenue growth +23.5%, with full 6 month contribution from Equatex compared to 7 weeks benefit in 1H19
- > Good growth in recurring fee revenue, +18.2%. Positive equity markets supported higher transactional revenues, +37.3%
- > EBITDA increased 24.4%, as scale benefits and productivity improvements drive margin expansion. EBITDA margin ex MI, 15.3% +160bps
- > Pipeline of technology enhancements and improvements to customer service being implemented – strategy to expand customer base
- > Equatex synergy benefits on track – over 250 UK and European clients upgraded to EquatePlus platform

Mortgage Services

Disciplined growth in the US, UK migration on track

	1H20 @ CC	1H19 Actual	CC Variance
US Mortgage Services	\$227.3	\$159.4	+42.6%
UK Mortgage Services	\$105.4	\$128.0	-17.7%
Total Mortgage Services revenue	\$332.7	\$287.4	+15.8%
Total Mortgage Services EBITDA	\$75.5	\$59.2	+27.5%
EBITDA margin %	22.7%	20.6%	+210bps
EBITDA ex MI	\$57.7	\$46.4	+24.4%
EBITDA margin ex MI %	18.3%	16.9%	+140bps

- > Revenues \$332.7m, +15.8% revenue includes reduced UK fixed fee contribution (1H20 \$28.4m v 1H19 \$48.1m)
- > EBITDA Margin continues to climb, 22.7%, up 210bps reflecting US margin expansion. EBITDA margin ex MI 18.3%, +140bps

US

- > Invested capital increased to \$647.1m as a result of strong MSR market conditions. Excess strip sales expected in 2H
- > Record growth in revenues, +42.6% reflecting growth in UPB, \$111.6bn, +9.6%. New origination volumes offset refinance activity. Robust market conditions and lower mortgage interest rates have supported investment in MSR purchases (\$139.3m)
- > US 1H20 amortisation expense \$29.7m (pcp \$20.4m)
- > Further improvement in PBT margin, as scale builds. Free cash flow return on capital continuing to progress to 12-14% target

UK

- > Previously delayed migration of UKAR loans now on track to be completed by May 2020, with full customer support
- > Retail challenger banks decision to exit new lending market will impact long term origination volumes. Current servicing still intact
- > Restructure program underway as announced on Investor Day. Savings tracking in line with plan

1H20 Management results summary

Resilient operating performance with lower margin income and higher tax rate

	1H20 @ CC	1H19 Actual	CC Variance	1H20 Actual
Total Revenue	\$1,141.7	\$1,127.8	+1.2%	\$1,124.3
Margin income	\$117.1	\$125.2	-6.5%	\$116.0
Operating Costs	\$803.1	\$795.4	+1.0%	\$787.6
Share of net profit/(loss) of associates and joint ventures	\$0.2	(\$1.0)	-120.0%	\$0.2
EBITDA	\$338.7	\$331.4	+2.2%	\$336.6
EBITDA Margin %	29.7%	29.4%	+30bps	29.9%
Depreciation	\$38.8	\$18.9	+105.3%	\$38.0
Amortisation	\$32.8	\$21.2	+54.7%	\$32.8
EBIT	\$267.1	\$291.3	-8.3%	\$265.9
Interest Expense	\$36.3	\$32.5	+11.7%	\$36.2
Profit Before Tax	\$230.9	\$258.8	-10.8%	\$229.7
Income Tax Expense	\$73.0	\$65.8	+10.9%	\$72.6
NPAT	\$157.8	\$189.9	-16.9%	\$157.0
Management EPS (cents)	29.12	34.97	-16.7%	28.96

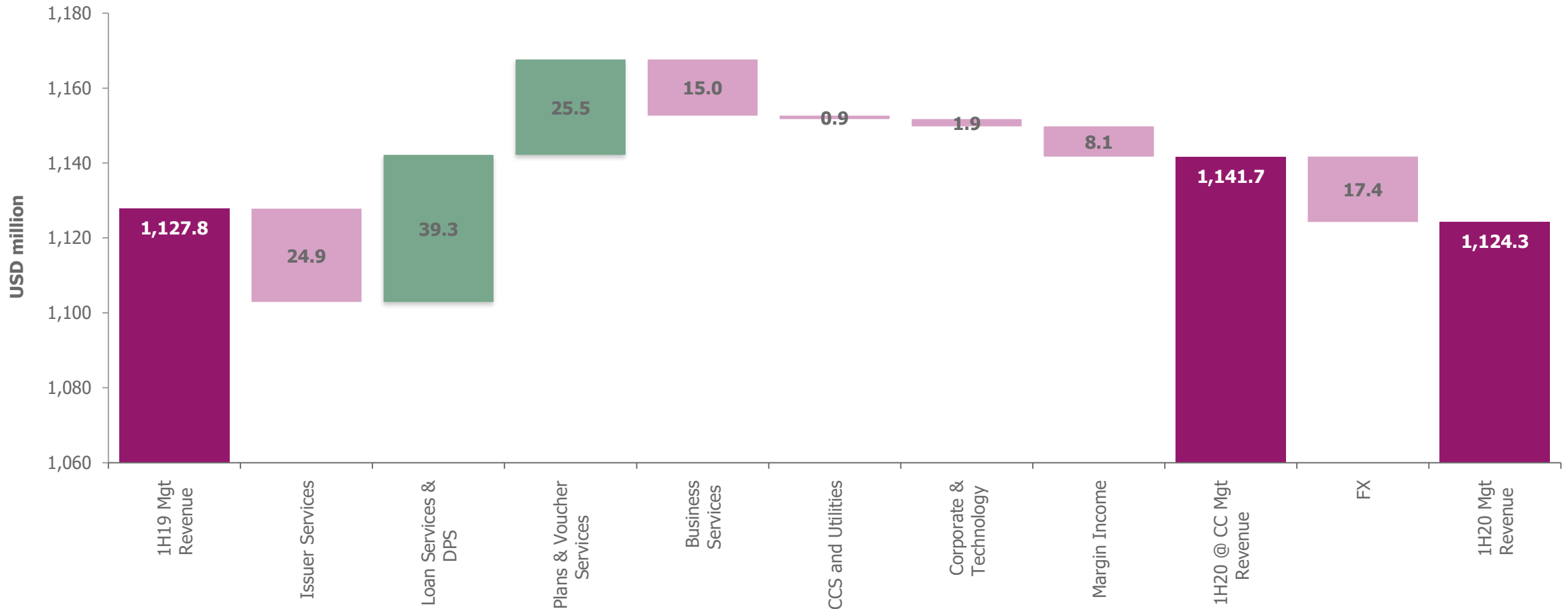
	1H20 Actual	1H19 Actual	Variance
Net operating cash flow ¹	\$250.3	\$176.6	+41.7%
Free cash flow ¹	\$206.6	\$122.6	+68.5%
Net debt to EBITDA ratio ^{1,2}	1.97 times	1.88 times	+0.09 times

¹ References in this presentation to free cash flow and net debt exclude SLS advances/non-recourse debt as appropriate

² Effective Dec 2019, net debt excludes lease liabilities (\$7.7m as at Jun 19). 1H20 EBITDA includes IFRS16 benefit of \$23.4m. Excluding IFRS16, the net debt to EBITDA ratio for 1H20 is 2.04x
1H20 IFRS16 impact in constant currency: EBITDA: +\$23.9m, Depreciation +\$20.7m, Interest +\$3.6m, NPAT -\$0.3m

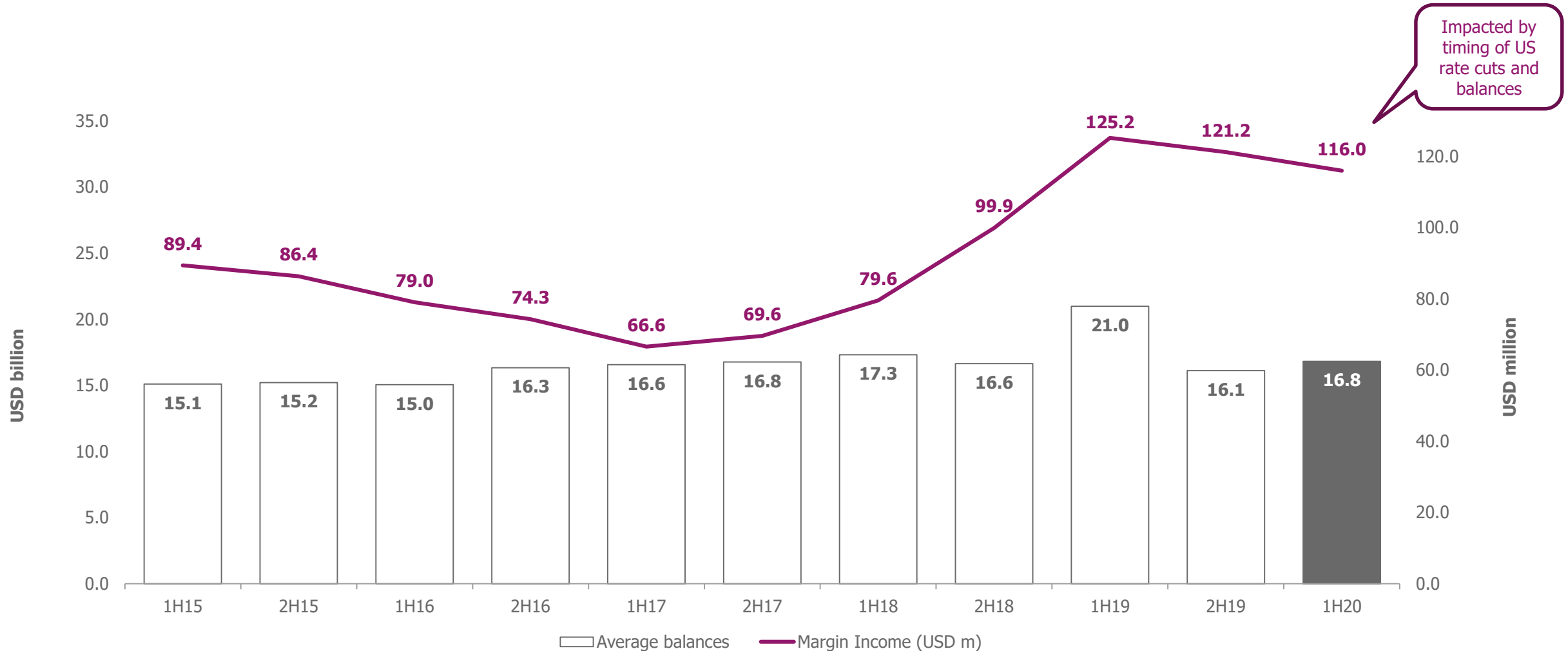
Management revenue bridge

Strong contributions from US Mortgage Services and Employee Share Plans with lower event-based and margin income revenues



Margin Income

Margin income decreased to \$116.0m, -7.3% with \$16.8bn average balances



Note: Margin income and balances translated at actual FX rates for the period. In constant currency, Margin income is \$117.1m

EBITDA and margins by business stream

EBITDA \$338.7m, +2.2% includes IFRS16 benefit

	1H20 @ CC	1H19	CC Variance	Operating Margin	
				1H20 @ CC	1H19
Issuer Services	\$130.1	\$161.0	-19.2%	30.2%	34.1%
Mortgage Services & Property Rental Services	\$82.3	\$66.8	+23.2%	23.6%	22.1%
Employee Share Plans & Voucher Services	\$32.5	\$29.0	+12.1%	21.4%	22.9%
Business Services	\$41.7	\$49.5	-15.8%	34.4%	36.9%
Communication Services & Utilities	\$14.5	\$13.9	+4.3%	16.8%	15.9%
Corporate & Technology	\$37.6	\$11.2	+235.7%	n/a	n/a
Total Management EBITDA	\$338.7	\$331.4	+2.2%	29.7%	29.4%

- > Management EBITDA \$338.7m, +2.2% - includes IFRS16 benefit of \$23.9m (in Corporate & Technology). 1H19 includes Karvy contribution of \$8.6m, largely Business Services
- > Performance Incentives previously included in Corporate and Technology are now allocated to the business streams
- > Group EBITDA margins 29.7%, excluding IFRS16 benefit 27.6% in line with 10 year 1H performance range; 24.1-31.5%*

* 10 year 1H average at actual FX rates

EBITDA and margin income by business stream

EBITDA ex margin income \$221.6m

	1H20 EBITDA @ CC	1H20 MI @ CC	1H20 EBITDA ex MI @ CC	1H19 EBITDA @ CC	1H19 MI @ CC	1H19 EBITDA ex MI @ CC	CC Variance
Issuer Services	\$130.1	\$44.7	\$85.4	\$161.0	\$61.1	\$99.9	-14.5%
Mortgage Services & Property Rental Services	\$82.3	\$32.9	\$49.4	\$66.8	\$26.4	\$40.5	+22.0%
Employee Share Plans & Voucher Services	\$32.5	\$6.6	\$25.9	\$29.0	\$7.1	\$21.9	+18.3%
Business Services	\$41.7	\$33.0	\$8.7	\$49.5	\$30.7	\$18.8	-53.7%
Communication Services & Utilities	\$14.5	-	\$14.5	\$13.9	-	\$13.9	+4.3%
Corporate & Technology	\$37.6	-	\$37.6	\$11.2	-	\$11.2	+235.7%
Total Group	\$338.7	\$117.1	\$221.6	\$331.4	\$125.2	\$206.2	+7.5%

- > Excluding margin income and adjusting for Karvy and IFRS16, EBITDA flat at \$197.7m vs. \$197.6m – resilient performance
- > Margin Income of \$117.1m. Average exposed balances of \$11.6bn (pcp \$12.9bn) with average annualised yield of 1.79% (pcp 1.60%)*

Operating cost analysis

Opex up 1.0% including IFRS16, up 2.5% excluding IFRS16, acquisitions and disposals

	1H20 @ CC	1H19	CC Variance	1H20
Cost of Sales	\$174.5	\$175.5	-0.6%	\$171.2
Personnel	\$499.1	\$477.9	+4.4%	\$489.9
<i>Fixed/Perm</i>	\$474.4	\$450.1	+5.4%	\$465.8
<i>Variable/Temp</i>	\$24.7	\$27.7	-10.8%	\$24.1
Occupancy	\$16.6	\$38.9	-57.3%	\$16.1
Other Direct	\$61.9	\$52.8	+17.2%	\$60.6
Computer/External Technology	\$51.2	\$50.3	+1.8%	\$50.0
Total Operating Costs	\$803.1	\$795.4	+1.0%	\$787.6
Operating Costs/Income Ratio	70.3%	70.5%	-20bps	70.1%

> Under IFRS16, \$23.9m of occupancy costs have been reclassified as depreciation (\$20.7m) and interest (\$3.6m)

Refer to slide 53 for Technology costs at actual FX rates. Computer/External technology includes hardware, software licenses, network and voice costs, 3rd party vendor fees and data centre costs. Acquisitions: Equatex (Nov 18) and LenderLive (Dec 18). Disposals: Karvy (Nov 18)

Structural cost out programs

Programs delivering benefits as anticipated

Activity	Total cost savings estimates \$m	Benefit realisation (cumulative)						
		FY17A	FY18A	FY19A	FY20E	FY21E	FY22E	FY23E
Stage 1 Total	25 - 30	7.8	14.0	21.8	27.6	28.0	28.0	28.0
Stage 2 Total	60 - 70	5.9	35.4	54.1	63.0	66.6	66.6	66.6
Stage 3 Total	40 - 55			4.3	14.3	25.0	38.1	45.4
Total cost savings estimate for Stages 1 - 3	125 - 155	13.7	49.4	80.1	104.9	119.6	132.7	140.0
Equatex synergies	30				7.6	21.5	30.0	30.0
UK Mortgage Services ¹	50				14.1	36.4	50.0	50.0
Total cost savings	205-235	13.7	49.4	80.1	126.6	177.5	212.7	220.0

- > \$24.8m of additional gross savings programs on track to be delivered in FY20. No material changes since August

Other cost saving programs – as previously announced

- > Employee Share Plans Equatex synergies; \$7.6m cumulative cost savings to be delivered by the end of FY20 of total \$30m – in line with plan
- > UK Mortgage Services additional \$50m of savings to be realised by end of FY22 on track (\$14.1m FY20). ¹This does not include the \$35m of current IT costs that are expected to cease post migration to single platform

Total gross savings

- > By FY23, we expect to deliver gross savings of \$220m in total (an additional \$93.4m gross savings to be delivered between FY21 to FY23)

Cash flow summary at actual FX rates

Positive free cash flows, \$206.6m, +68.5%

	1H20 Actual	1H19 Actual
Net operating receipts and payments	\$312.2	\$268.1
Net interest and dividends	(\$33.3)	(\$35.1)
Income taxes paid	(\$28.6)	(\$56.4)
Net operating cash flows excluding SLS advances	\$250.3	\$176.6
Cash outlay on business capital expenditure	(\$14.0)	(\$33.6)
Net cash outlay on MSR purchases – Maintenance ¹	(\$29.7)	(\$20.4)
Free cash flow excluding SLS advances	\$206.6	\$122.6
SLS advance funding requirements ²	(\$41.5)	(\$6.6)
Cash flow post SLS advance funding ²	\$165.1	\$116.0
Investing cash flows		
Net cash outlay on MSR purchases – Investments ¹	(\$109.6)	(\$25.3)
Acquisitions (net of cash acquired)	(\$6.8)	(\$438.3)
Disposal of Karvy	-	\$77.2
Other	\$4.6	(\$14.9)
	(\$111.8)	(\$401.3)
Net operating and investing cash flows	\$53.3	(\$285.3)

> Excluding loan servicing advances, operating cash flows increased \$73.7 million largely due to a reduction in receivables and lower tax payments (1H19 included \$11.0m of advance payments)

¹ Maintenance MSR capex assumed to be equivalent to the amortisation charge for the period

18 ² Net operating and financing cash flows

Balance Sheet

Leverage ratio within target range 1.75x – 2.25x

	Dec-19	Jun-19	Variance
Current Assets	\$1,468.4	\$1,501.1	-2.2%
Non Current Assets	\$3,448.7	\$3,183.9	+8.3%
Total Assets	\$4,917.1	\$4,685.0	+4.9%
Current Liabilities	\$834.6	\$701.1	+19.0%
Non Current Liabilities	\$2,520.2	\$2,409.8	+4.6%
Total Liabilities	\$3,354.8	\$3,110.9	+7.8%
Total Equity	\$1,562.3	\$1,574.1	-0.7%

- > Net debt increased to \$1,340.1m, up \$98.7m following MSR investment (\$139.3m), buy-backs (AU\$32.9m) and final dividend (AU\$124.9m)
- > ROE 22.8%, -360 bps reflecting reduced earnings
- > 1H20 EBITDA includes IFRS16 benefit of \$23.4m. Excluding IFRS16, the net debt to EBITDA ratio¹ as at December 2019 is 2.04x

Net debt ¹	\$1,340.1	\$1,241.4	+8.0%
Net debt to EBITDA ratio ¹	1.97	1.84	+0.13 times
ROE ²	22.8%	26.4%	-360bps
ROIC ³	13.5%	14.8%	-130bps

¹ Excluding non-recourse SLS Advance debt. Effective Dec 2019, net debt excludes lease liabilities (\$7.7m as at Jun 19).

² Return on equity (ROE) = rolling 12 month Mgt NPAT/rolling 12 mth avg Total Equity

³ Return on invested capital (ROIC) = (Mgt EBITDA less depreciation & amortisation less income tax expense)/(net debt + total equity).

Conclusions

- › 1H20 result, resilient operating performance with earnings impacted by margin income, increased tax rate and known UKAR delayed migration costs
- › High quality core industrial businesses performing to plan, optionality embedded across the group
- › Cost out programs remain on track
- › Delayed UK Mortgage platform migration, scheduled to complete May 2020
- › Employee Share Plans and US Mortgage Services outperforming
- › Corporate Creations accelerates Issuer Services growth strategy
- › Earnings growth expected in 2H – Growth engines should offset interest rate headwinds
- › Full year guidance remains unchanged at around -5% Management EPS
- › Computershare continues to lay down and execute long term growth strategies: build high quality, core businesses with scale, recurring revenues and margin expansion

APPENDICES



Statutory results

1H20 Management NPAT analysis

Revenue and EBITDA Margin

1H20 Computershare at a glance

Management EBITDA (ex MI)

Management EPS – AUD equivalent

Financial performance by half year at actual FX rates

Revenue and EBITDA by business stream at actual FX rates

Management EBITDA ex MI at actual FX rates

Register Maintenance and Employee Share Plans

Business Services revenue

Management revenue by region

Technology costs

CAPEX versus depreciation

Client balances

Debt facility maturity profile

Key financial ratios

Effective tax rate

Dividend history and franking

Mortgage Servicing

Previous business stream reporting

Exchange rates

Statutory results

	1H20	1H19	Vs 1H19 (pcp)
Total Revenues	\$1,125.8m	\$1,242.1m	-9.4%
Total Expenses	\$940.3m	\$912.0m	+3.1%
Statutory Net Profit (post NCI)	\$124.7m	\$259.4m	-51.9%
Earnings per share (post NCI)	23.00 cents	47.77 cents	-51.9%

Reconciliation of Statutory Revenue to Management Results 1H20

Total Revenue per statutory results	\$1,125.8m
Management Adjustments	
Marked to market adjustments – derivatives	-\$1.5
Total Management Adjustments	-\$1.5
Total Revenue per Management Results	\$1,124.3m

Reconciliation of Statutory NPAT to Management Results 1H20

Net profit after tax per statutory results	\$124.7m
Management Adjustments (after tax)	
Amortisation	\$20.8
Acquisitions and Disposals	\$5.9
Other	\$5.5
Total Management Adjustments	\$32.3
Net Profit after tax per Management Results	\$157.0m

- > Management results are used, along with other measures, to assess operating business performance. The Company believes that exclusion of certain items permits better analysis of the Group's performance on a comparative basis and provides a better measure of underlying operating performance.
- > Management adjustments are made on the same basis as in prior years.
- > Non-cash management adjustments include significant amortisation of identified intangible assets from businesses acquired in recent years, which will recur in subsequent years, asset disposals and other one-off charges.
- > Cash adjustments are predominantly expenditure on acquisition-related and other restructures, and will cease once the relevant acquisition integrations and restructures are complete.
- > A full description of all management adjustments is included on slide 23.
- > The non-IFRS financial information contained within this document has not been reviewed or audited in accordance with Australian Auditing Standards.

Management adjustment items

Appendix 4D note 2

Amortisation

- > Customer relationships and most of other intangible assets that are recognised on business combinations or major asset acquisitions are amortised over their useful life in the statutory results but excluded from management earnings. The amortisation of these intangibles in the half-year ended 31 December 2019 was \$20.8 million. Amortisation of mortgage servicing rights, certain acquired software as well as intangibles purchased outside of business combinations is included as a charge against management earnings

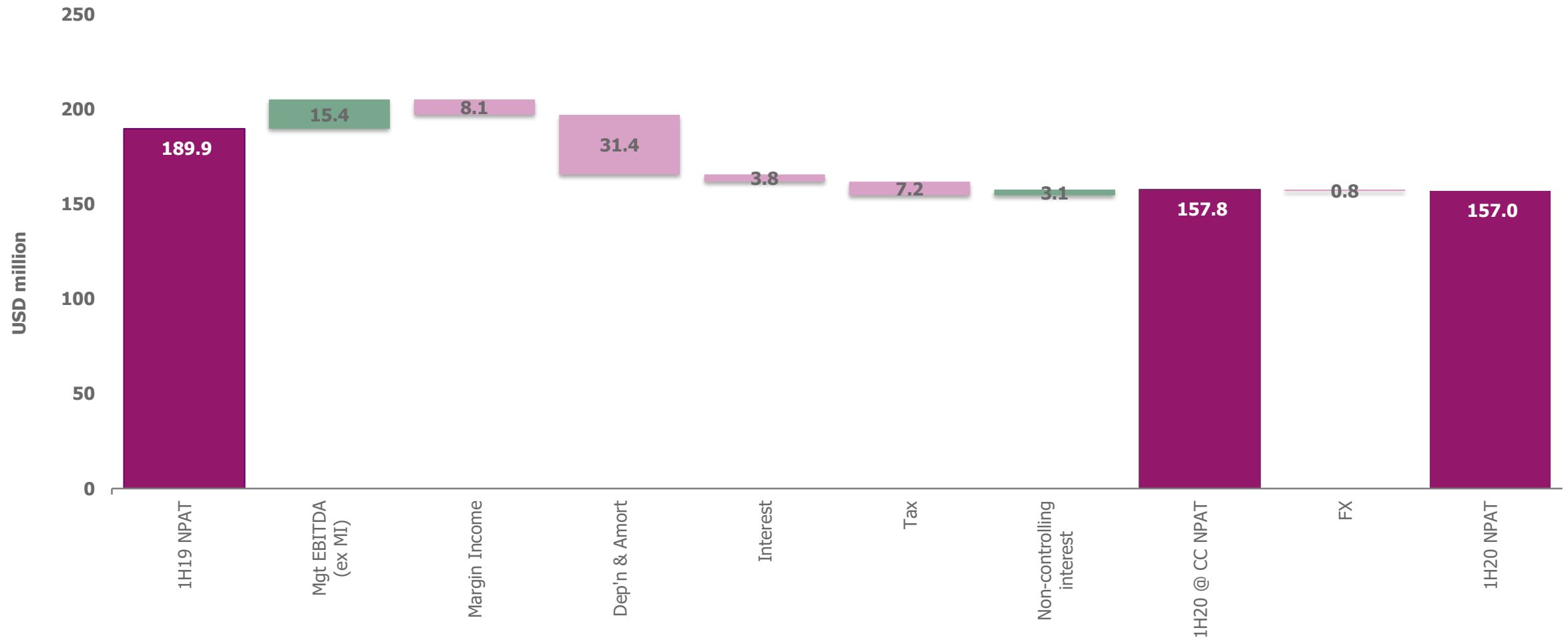
Acquisitions and disposals

- > Acquisition related expenses of \$8.1 million were incurred related to the Equatex integration
- > A true-up of the one-off tax expense recognised as a result of the Equatex IP restructure in the previous financial year resulted in a tax benefit of \$1.1 million
- > A gain of \$0.5 million was recognised for re-measurement of contingent consideration payable to the sellers of Gilardi & Co., LLC and a gain of \$0.6 million resulted from an adjustment to acquisition accounting for a prior period acquisition

Other

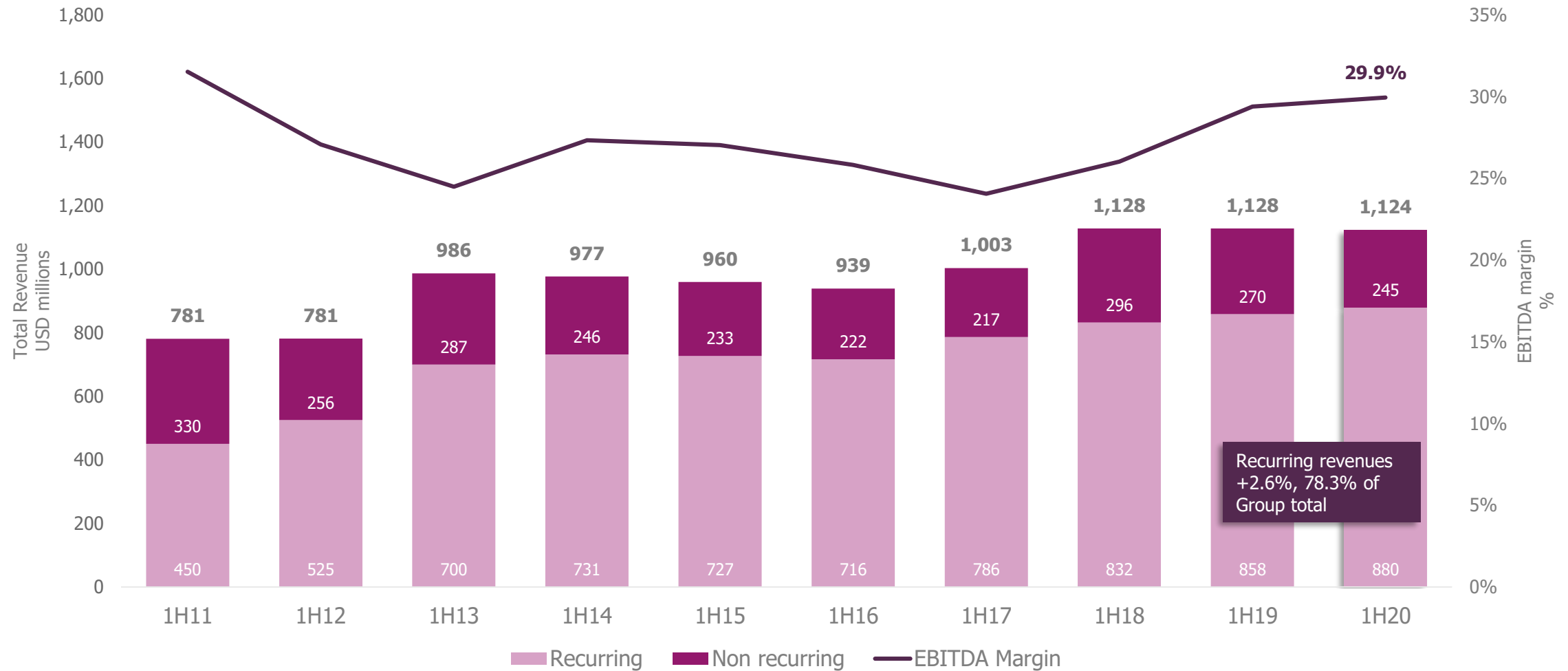
- > Costs of \$6.6 million were incurred in relation to the restructuring of UK mortgages services, shared services cost-out programs and the major operations rationalisation underway in Louisville, USA
- > Derivatives that have not received hedge designation are marked to market at the reporting date and taken to profit and loss in the statutory results. The marked to market valuation resulted in a gain of \$1.1 million

1H20 Management NPAT analysis



High quality core industrial drives consistent operating performance

EBITDA margin 29.9% including IFRS16 - in line with 10 year 1H performance range; 24.1-31.5%*



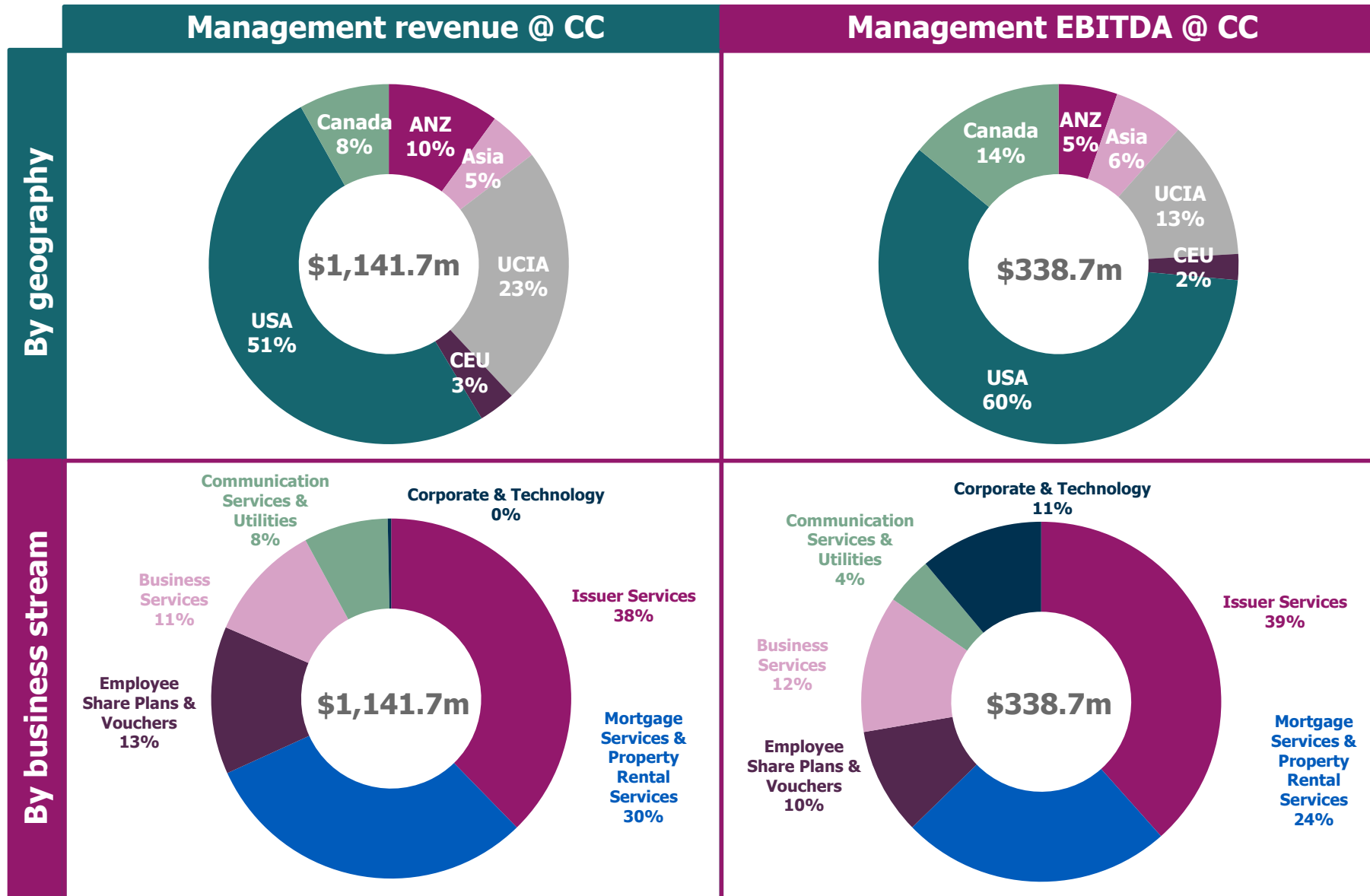
IFRS16/AASB 16 - Leases

Management EBITDA impact reflected in Corporate & Technology business stream

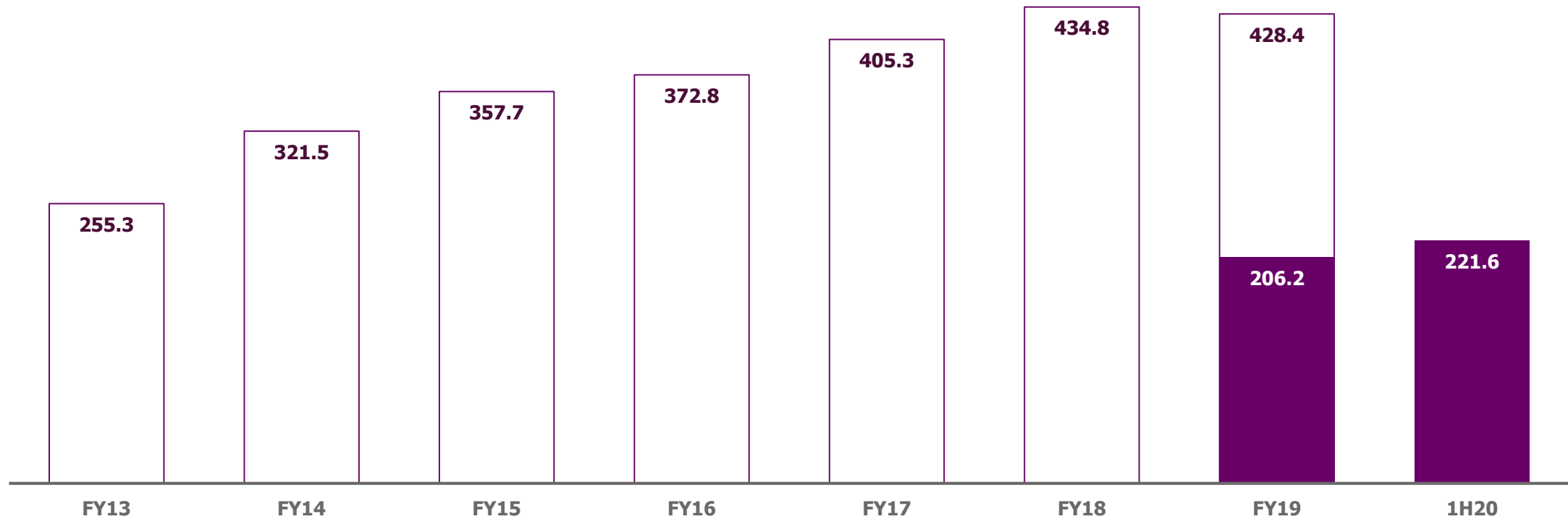
	1H20 @ CC	1FRS16 @ CC	1H20 excluding IFRS16 @ CC	1H19 Actual	CC Variance	1H20 @ Actual rates	1FRS16 @ Actual rates	1H20 excluding IFRS16 @ Actual rates
Management EBITDA	\$338.7	\$23.9	\$314.8	\$331.4	-5.0%	\$336.6	\$23.4	313.2
Depreciation	\$38.8	-\$20.7	\$18.1	\$18.9	-4.2%	\$38.0	-\$20.3	17.7
Amortisation	\$32.8	-	\$32.8	\$21.2	+54.7%	\$32.8	-	32.8
Interest expense	\$36.3	-\$3.6	\$32.7	\$32.5	+0.6%	\$36.2	-\$3.5	32.7
Mgt Profit before Tax	\$230.9	-\$0.4	\$231.2	\$258.8	-10.7%	\$229.7	-\$0.4	230.0
Mgt Income Tax Expense	\$73.0	\$0.1	\$73.1	\$65.8	+11.1%	\$72.6	\$0.1	72.7
Mgt Profit after Tax	\$157.8	-\$0.3	\$158.1	\$189.9	-16.7%	\$157.0	-\$0.3	157.3

The IFRS16 impact to the Balance sheet is as follows: Change in net assets of (\$10.4m) due to an increase in total assets of \$239.6m offset by an increase in total liabilities of \$250.0m at adoption date

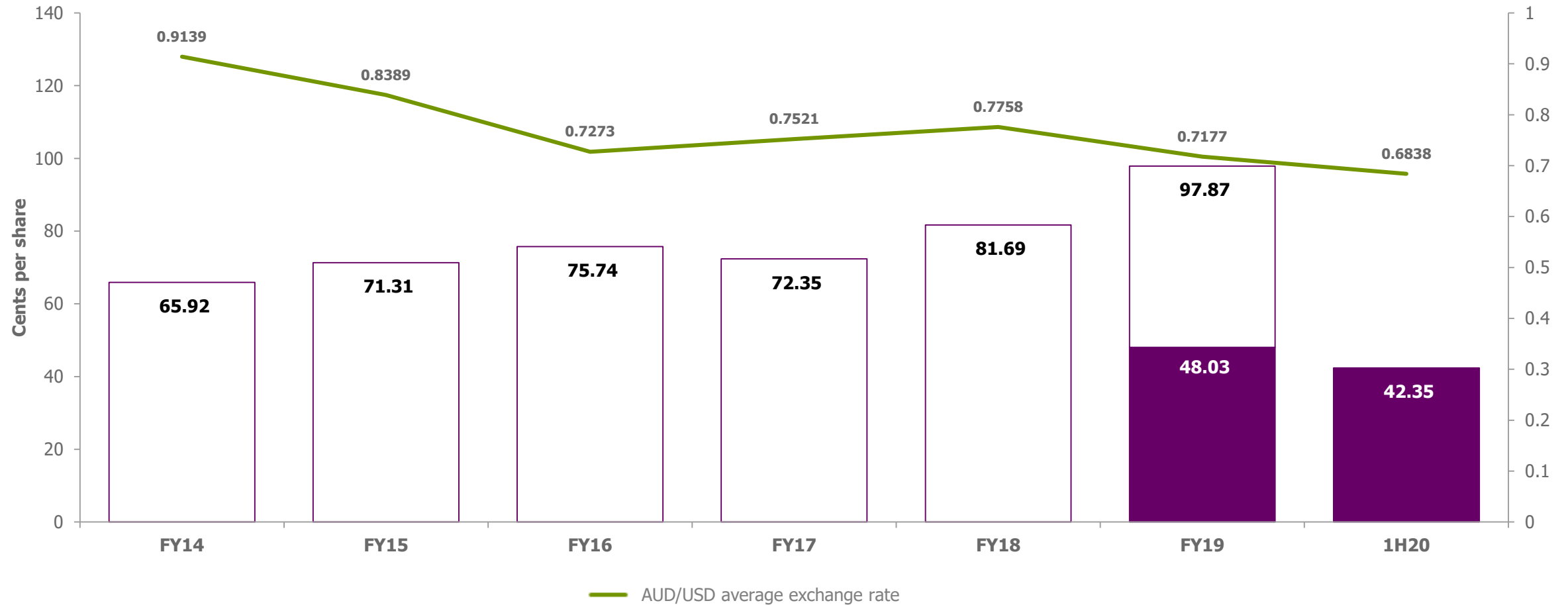
1H20 Computershare at a glance



Management EBITDA excluding the impact of margin income and FX movements increased by 7.5% in 1H20 versus pcp



Management EPS – AUD Equivalent



Financial performance by half year at actual FX rates

	1H20	2H19	1H19	2H18	1H18	2H17	1H17	2H16	1H16	2H15	1H15	2H14	1H14
Total Management Revenue	\$1,124.3	\$1,228.7	\$1,127.8	\$1,173.1	\$1,127.8	\$1,110.8	\$1,003.2	\$1,035.5	\$938.7	\$1,016.5	\$959.5	\$1,045.7	\$976.9
Operating Costs	\$787.8	\$885.2	\$795.4	\$843.4	\$835.2	\$811.6	\$762.3	\$744.5	\$695.7	\$720.7	\$699.0	\$771.7	\$709.2
Management EBITDA	\$336.6	\$343.5	\$331.4	\$329.3	\$293.4	\$299.5	\$241.3	\$290.3	\$242.3	\$294.8	\$259.3	\$273.6	\$267.0
EBITDA Margin %	29.9%	28.0%	29.4%	28.1%	26.0%	27.0%	24.1%	28.0%	25.8%	29.0%	27.0%	26.2%	27.3%
Management Profit Before Tax	\$229.7	\$264.6	\$258.8	\$260.3	\$232.2	\$239.6	\$187.6	\$235.0	\$192.2	\$244.2	\$211.1	\$220.9	\$215.0
Management NPAT	\$157.0	\$191.5	\$189.9	\$177.9	\$166.8	\$156.7	\$140.6	\$159.7	\$143.8	\$172.1	\$160.6	\$171.5	\$163.6
Management EPS (US cents)	28.96	35.27	34.97	32.76	30.62	28.67	25.74	29.11	25.98	30.94	28.88	30.83	29.41
Management EPS (AU cents)	42.35	49.84	48.03	42.31	39.38	38.22	34.13	39.78	35.96	39.28	32.03	33.93	31.98
Statutory EPS (US cents)	23.00	28.80	47.77	23.74	31.43	21.28	27.48	13.33	15.22	24.82	2.79	20.13	25.07
Net operating cash flows[^]	\$250.3	\$235.0	\$176.6	\$253.7	\$199.3	\$247.0	\$173.3	\$214.5	\$158.5	\$247.3	\$169.4	\$221.7	\$223.7
Days Sales Outstanding	61	60	65	59	57	60	56	56	53	48	46	45	42
Dividend (AU cents)	23	23	21	21	19	19	17	17	16	16	15	15	14
Franking (%)	30%	30%	30%	100%	0%	0%	30%	20%	100%	25%	20%	20%	20%
Net debt to EBITDA*	1.97	1.84	1.88	1.33	1.58	1.60	1.91	2.12	2.06	1.86	2.10	1.96	2.09

[^] Excluding SLS advances

* Ratio excluding non-recourse SLS Advance debt and lease liabilities (the latter effective from 1H20)

Notable acquisitions: Olympia Finance Group Inc (7th Oct 13), Registrar and Transfer Company (1st May 14), Homeloan Management Limited (17th Nov 14), Valiant (1st May 15), Gilardi & Co. LLC (28th Aug 15), SyncBASE Inc (1st Feb 16), Capital Markets Cooperative LLC (29th Apr 16), Equatex Group Holding AG (9th Nov 18), LenderLive Financial Services, LLC (31st Dec 18)

Notable divestments: Highland Insurance (27th Jun 14), Pepper (30th Jun 14), ConnectNow (30th Jun 15), Closed Joint Stock Company "Computershare Registrar" and Computershare LLC Russia (16th Jul 15), VEM Aktienbank AG (31st Jul 15), INVeSHARE (16th Sep 16), Karvy – 50% interest (17th Nov 18)

Revenue and EBITDA by business stream at actual FX rates

	1H20 REVENUE	1H20 EBITDA	1H20 EBITDA MARGIN %	1H19 REVENUE	1H19 EBITDA	1H19 EBITDA MARGIN %
Issuer Services	\$424.3	\$129.0	30.4%	\$471.8	\$161.0	34.1%
Mortgage Services & Property Rental Services	\$343.9	\$82.1	23.9%	\$302.4	\$66.8	22.1%
Employee Share Plans & Voucher Services	\$148.8	\$31.9	21.4%	\$126.6	\$29.0	22.9%
Business Services	\$120.8	\$41.6	34.4%	\$134.1	\$49.5	36.9%
Communication Services & Utilities	\$83.1	\$14.0	16.8%	\$87.6	\$13.9	15.9%
Corporate & Technology	\$3.3	\$38.0	n/a	\$5.4	\$11.2	n/a
Total Group	\$1,124.3	\$336.6	29.9%	\$1,127.8	\$331.4	29.4%

Management EBITDA ex Margin Income by business stream

FY19 and FY18 at actual FX rates

	FY19 EBITDA	FY19 MI	FY19 EBITDA ex MI
Issuer Services	\$313.6	\$112.4	\$201.2
Mortgage Services & Property Rental Services	\$150.2	\$58.2	\$92.0
Employee Share Plans & Voucher Services	\$80.3	\$15.9	\$64.4
Business Services	\$92.6	\$60.0	\$32.6
Communication Services & Utilities	\$37.9	-	\$37.9
Corporate & Technology	\$0.2	-	\$0.2
Total Group	\$674.9	\$246.5	\$428.4

	1H19 EBITDA	1H19 MI	1H19 EBITDA ex MI
Issuer Services	\$161.0	\$61.1	\$99.9
Mortgage Services & Property Rental Services	\$66.8	\$26.4	\$40.5
Employee Share Plans & Voucher Services	\$29.0	\$7.1	\$21.9
Business Services	\$49.5	\$30.7	\$18.8
Communication Services & Utilities	\$13.9	-	\$13.9
Corporate & Technology	\$11.2	-	\$11.2
Total Group	\$331.4	\$125.2	\$206.2

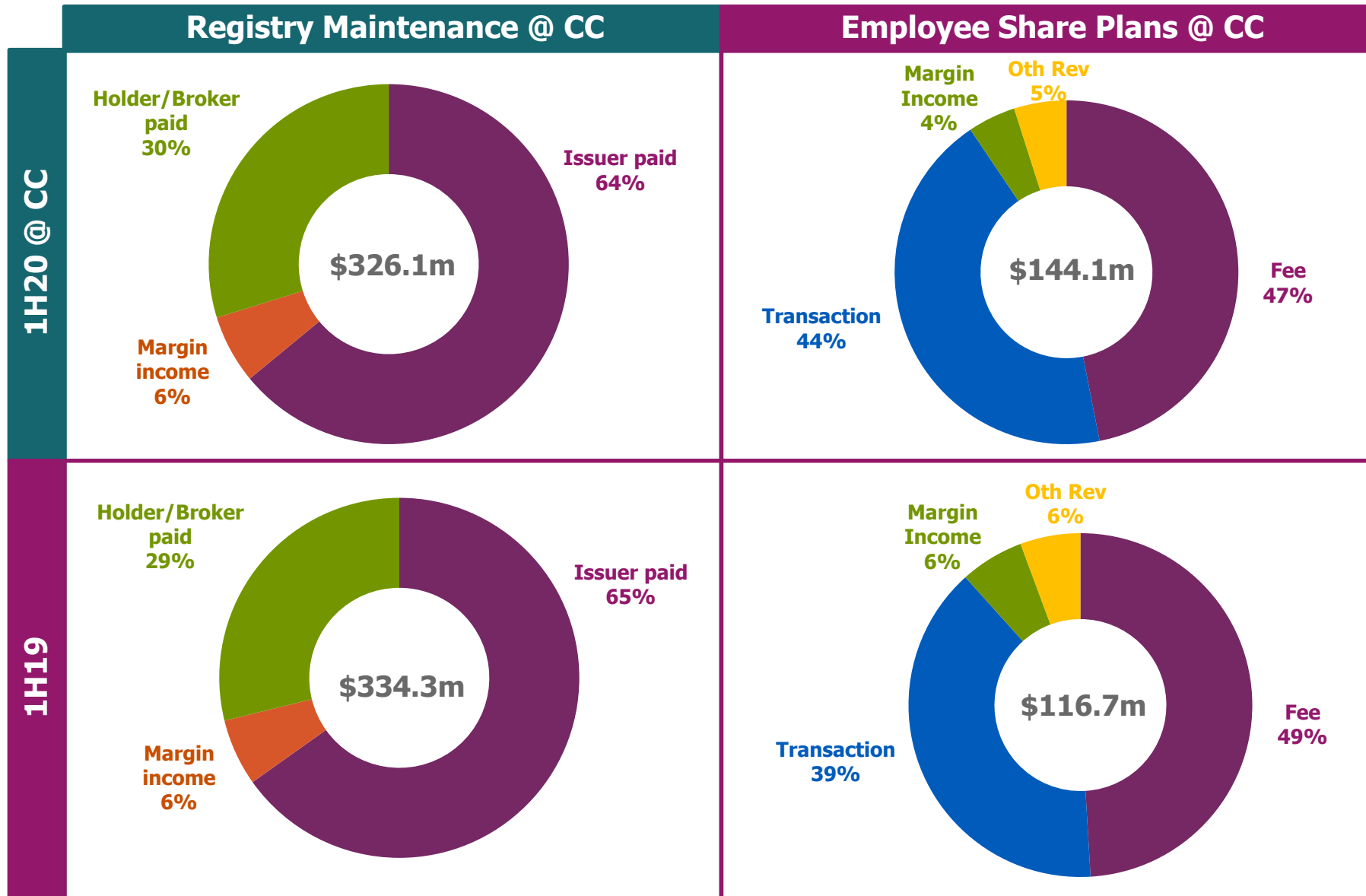
	2H19 EBITDA	2H19 MI	2H19 EBITDA ex MI
Issuer Services	\$152.6	\$51.3	\$101.3
Mortgage Services & Property Rental Services	\$83.4	\$31.8	\$51.6
Employee Share Plans & Voucher Services	\$51.3	\$8.8	\$42.5
Business Services	\$43.2	\$29.4	\$13.8
Communication Services & Utilities	\$24.0	-	\$24.0
Corporate & Technology	-\$10.9	-	-\$10.9
Total Group	\$343.4	\$121.2	\$222.2

	FY18 EBITDA	FY18 MI	FY18 EBITDA ex MI
Issuer Services	\$293.9	\$80.0	\$213.9
Mortgage Services & Property Rental Services	\$133.0	\$36.7	\$96.3
Employee Share Plans & Voucher Services	\$65.5	\$16.9	\$48.6
Business Services	\$93.4	\$45.8	\$47.6
Communication Services & Utilities	\$36.6	-	\$36.6
Corporate & Technology	\$0.2	-	\$0.2
Total Group	\$622.6	\$179.5	\$443.1

	1H18 EBITDA	1H18 MI	1H18 EBITDA ex MI
Issuer Services	\$140.8	\$35.0	\$105.8
Mortgage Services & Property Rental Services	\$59.9	\$15.6	\$44.3
Employee Share Plans & Voucher Services	\$27.2	\$7.1	\$20.1
Business Services	\$46.5	\$21.8	\$24.7
Communication Services & Utilities	\$12.8	-	\$12.8
Corporate & Technology	\$6.1	-	\$6.1
Total Group	\$293.4	\$79.6	\$213.8

	2H18 EBITDA	2H18 MI	2H18 EBITDA ex MI
Issuer Services	\$153.1	\$45.0	\$108.1
Mortgage Services & Property Rental Services	\$73.1	\$21.1	\$52.0
Employee Share Plans & Voucher Services	\$38.3	\$9.8	\$28.4
Business Services	\$46.9	\$23.9	\$23.0
Communication Services & Utilities	\$23.8	-	\$23.8
Corporate & Technology	-\$5.9	\$0.1	-\$6.0
Total Group	\$329.3	\$99.9	\$229.3

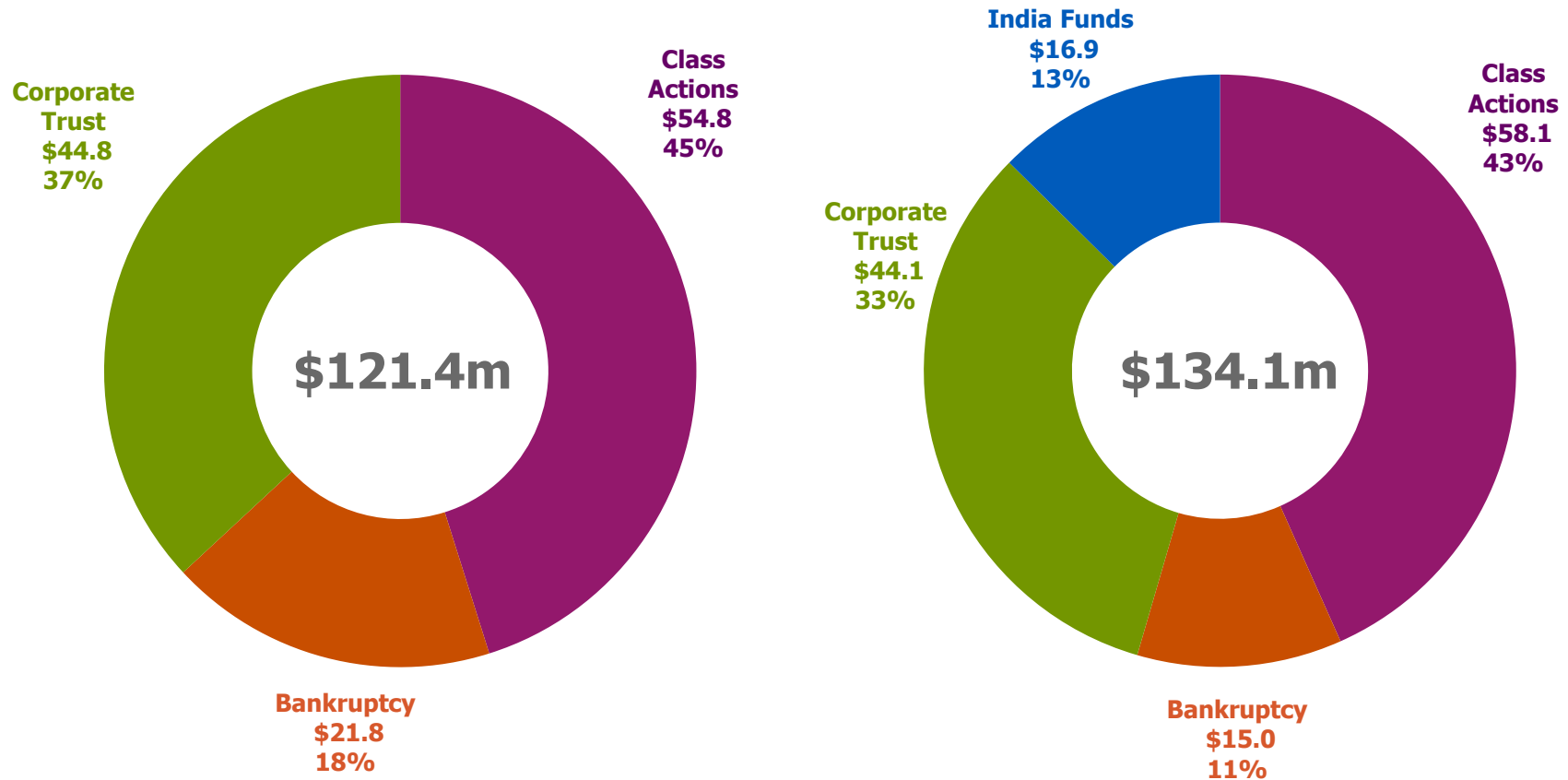
Global Register Maintenance and Employee Share Plans revenue



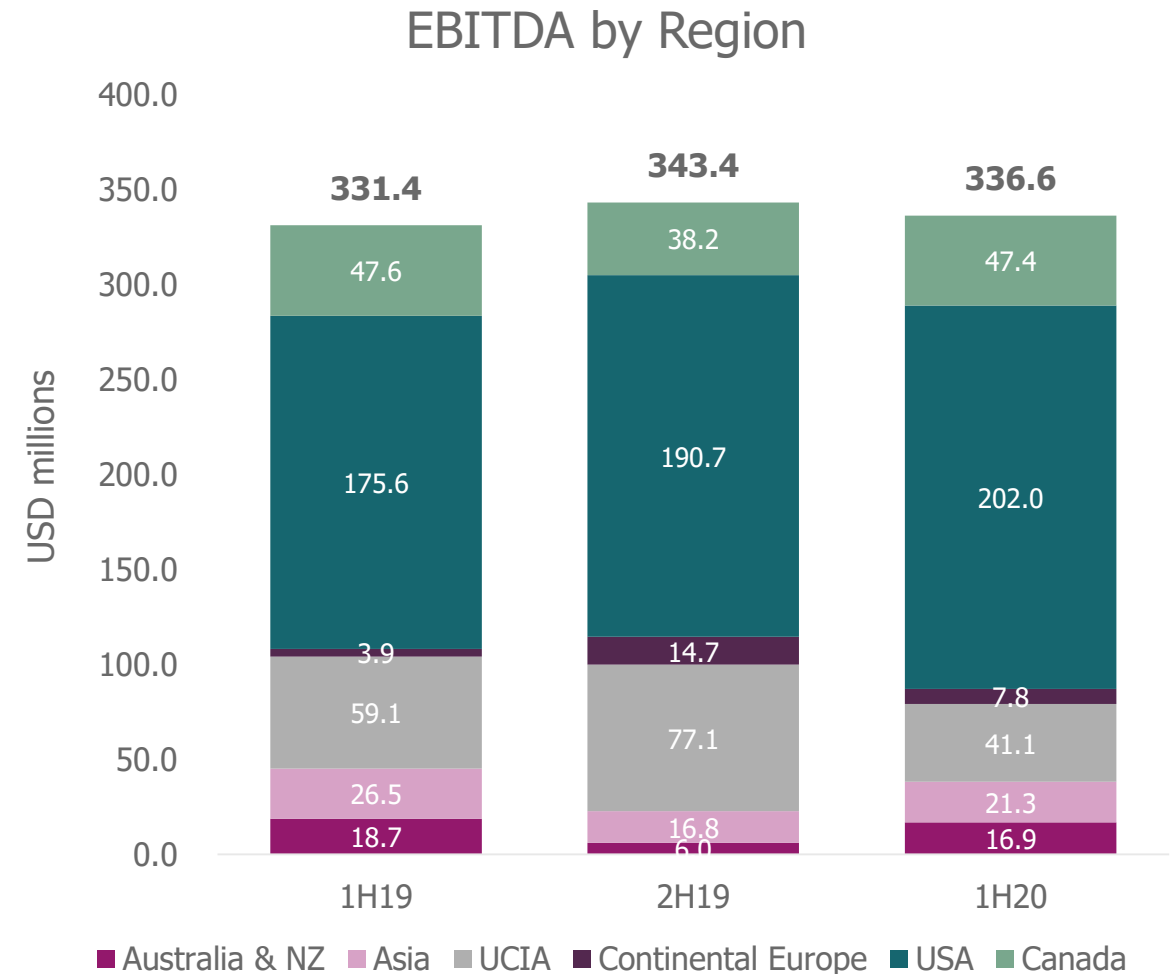
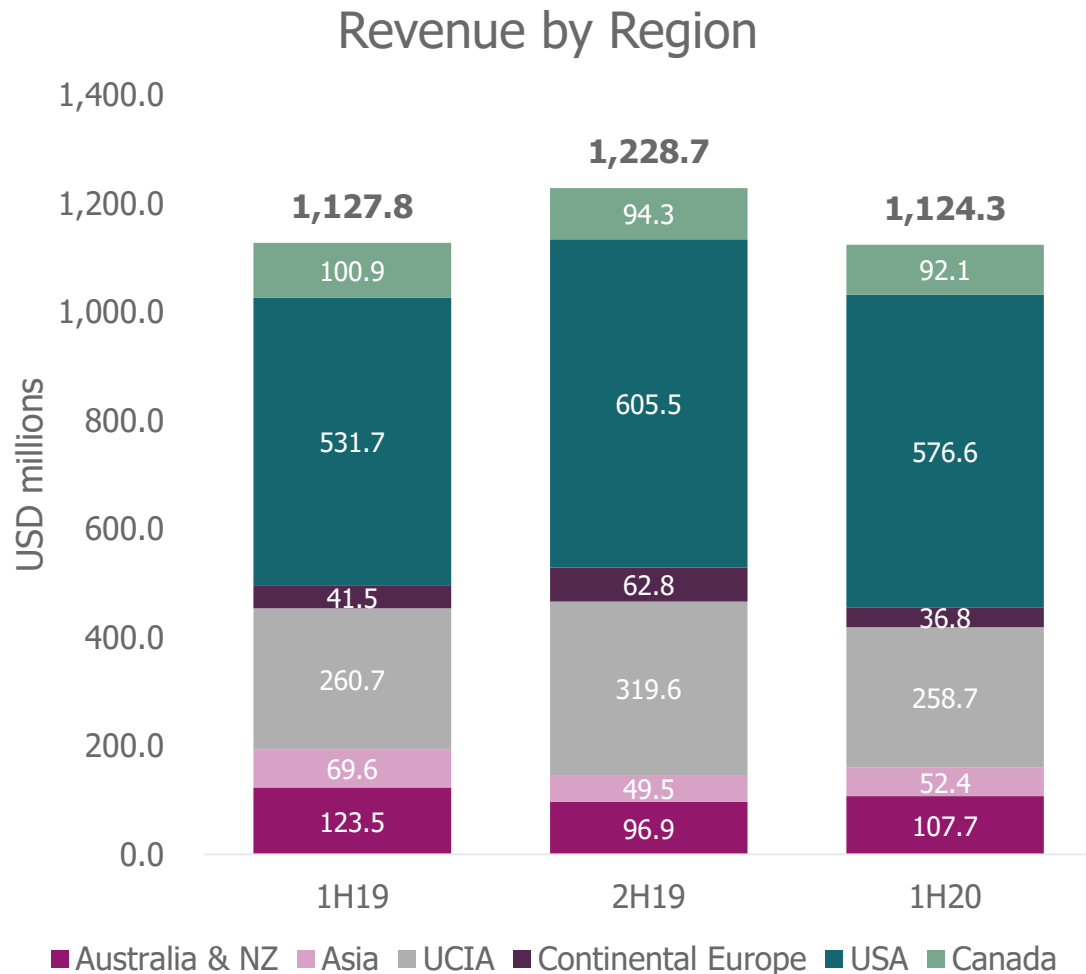
Business Services revenue

1H20 @ CC

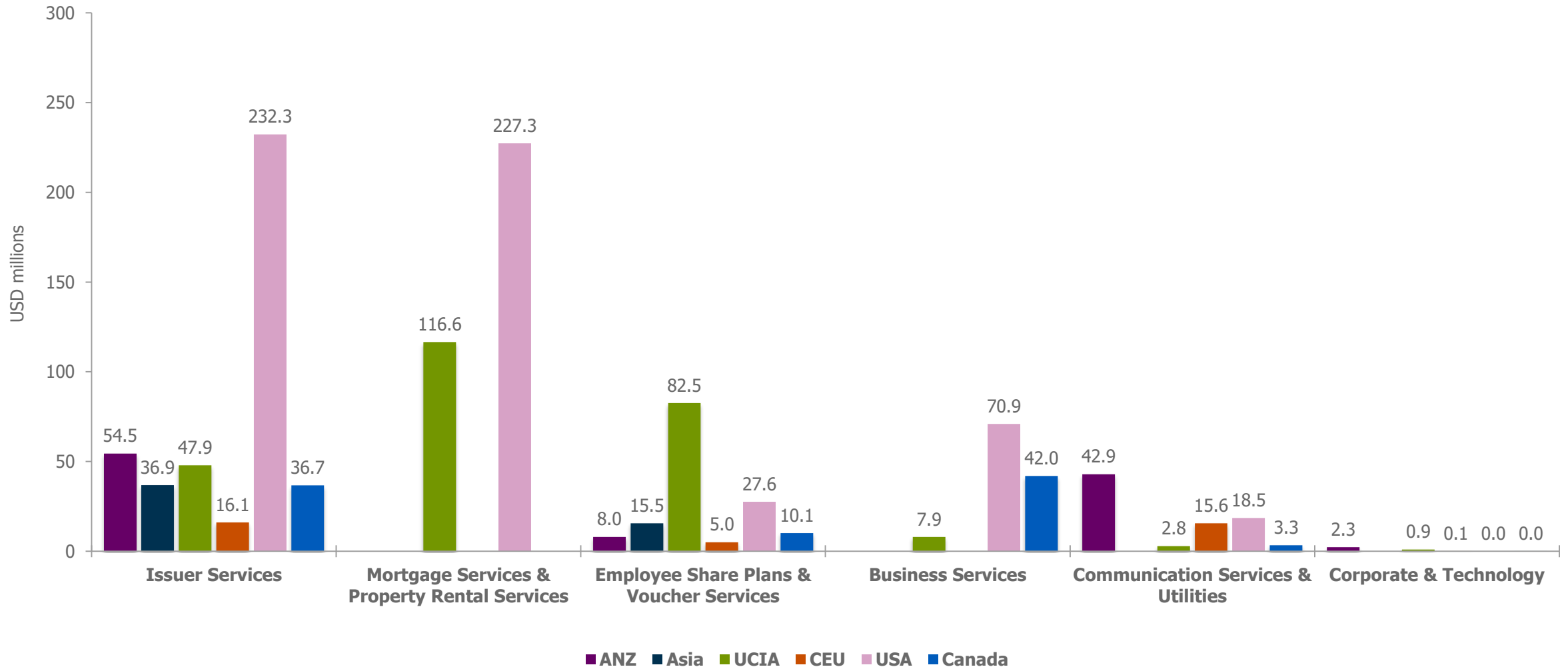
1H19



Management revenue and EBITDA at actual FX rates

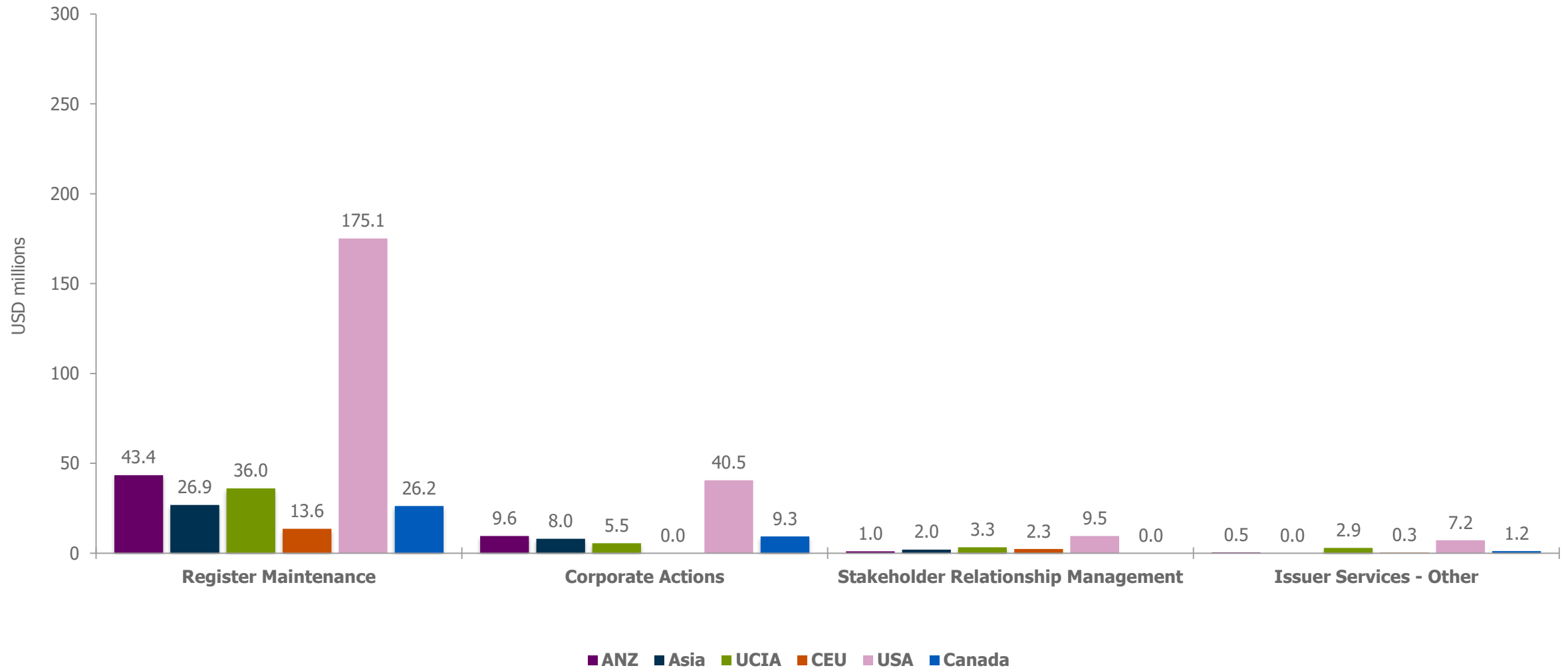


1H20 Management revenue at actual FX rates



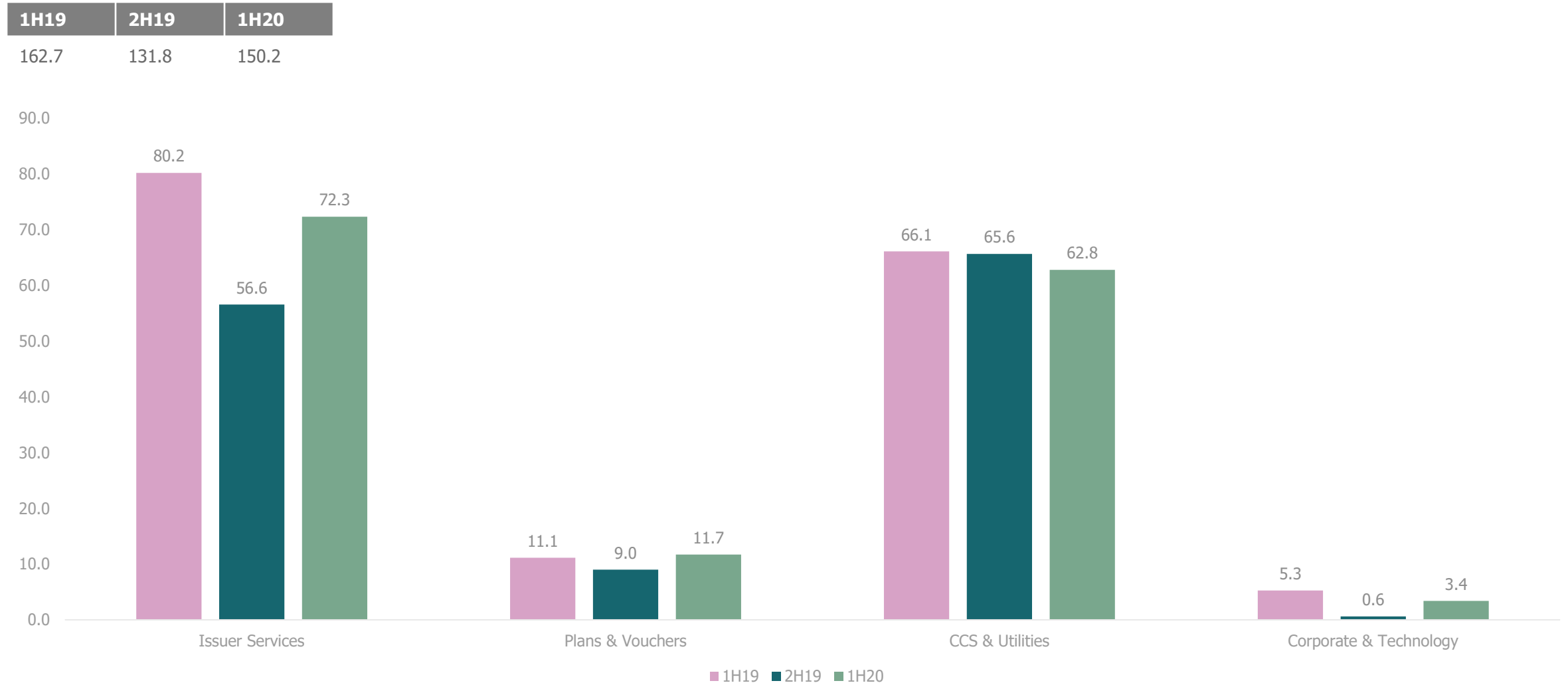
1H20 Management revenue at actual FX rates

Issuer Services breakdown



Australia

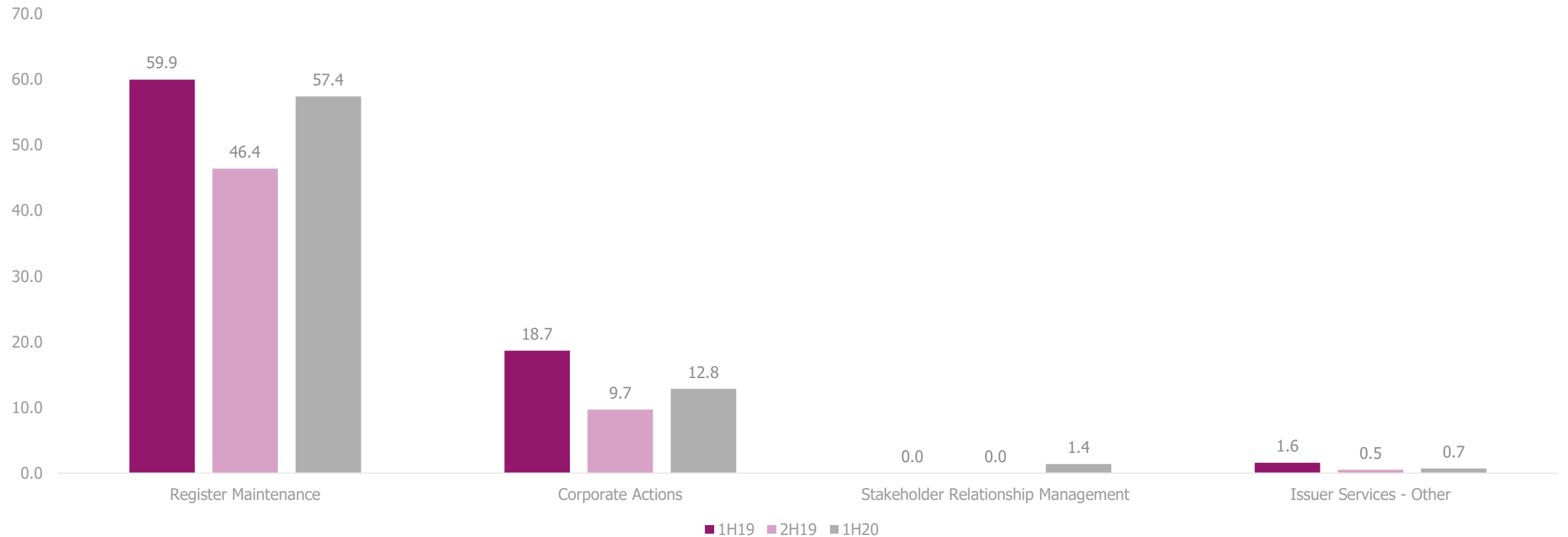
Management revenue: AUD million



Australia – Issuer Services

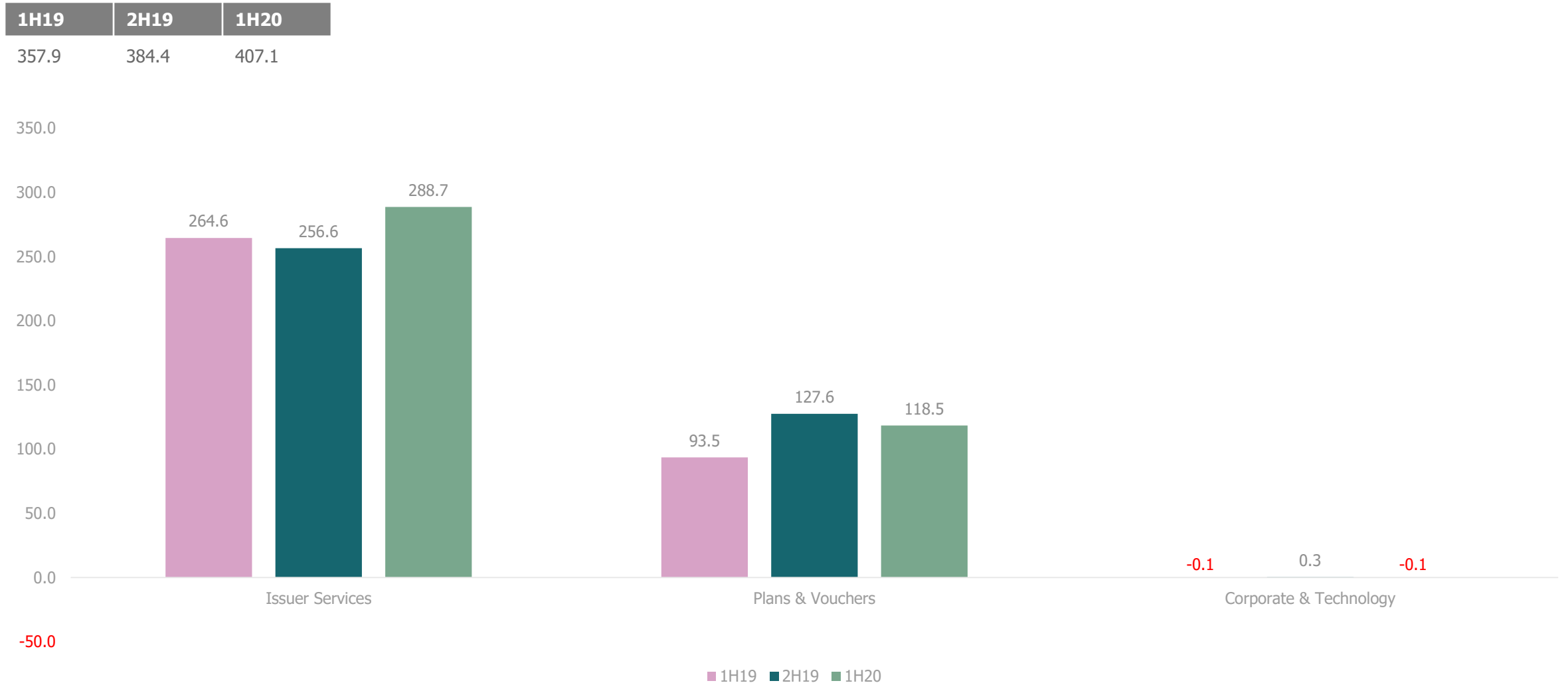
Management revenue: AUD million

1H19	2H19	1H20
80.2	56.6	72.3



Hong Kong

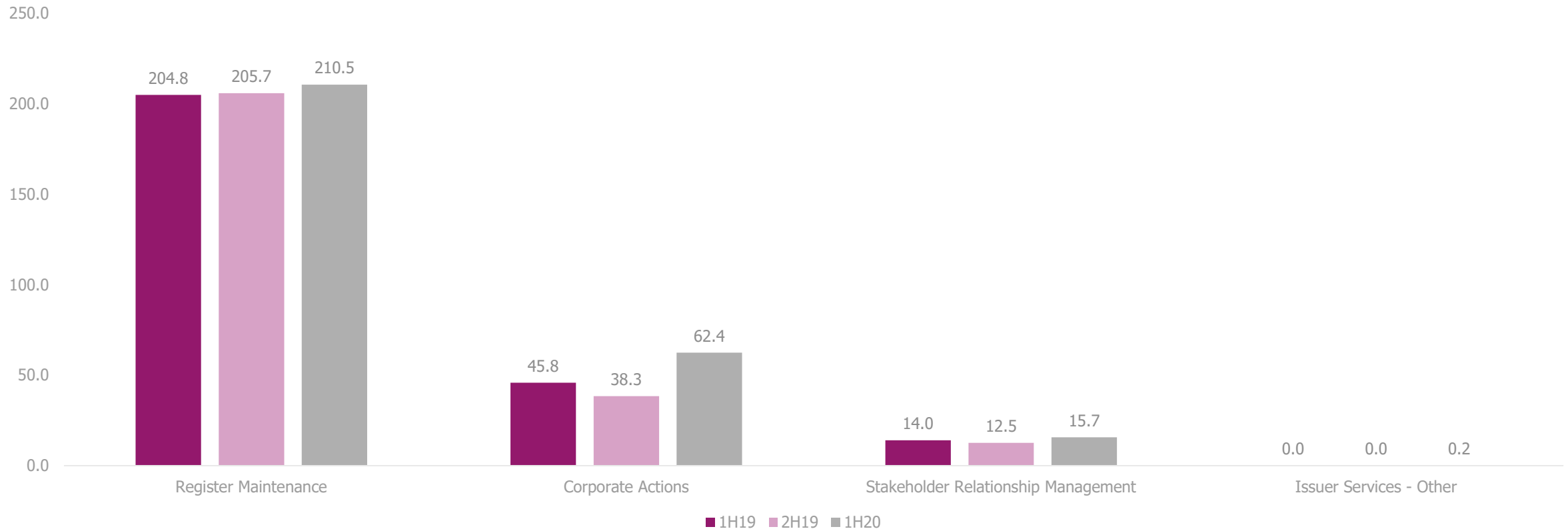
Management revenue: HKD million



Hong Kong – Issuer Services

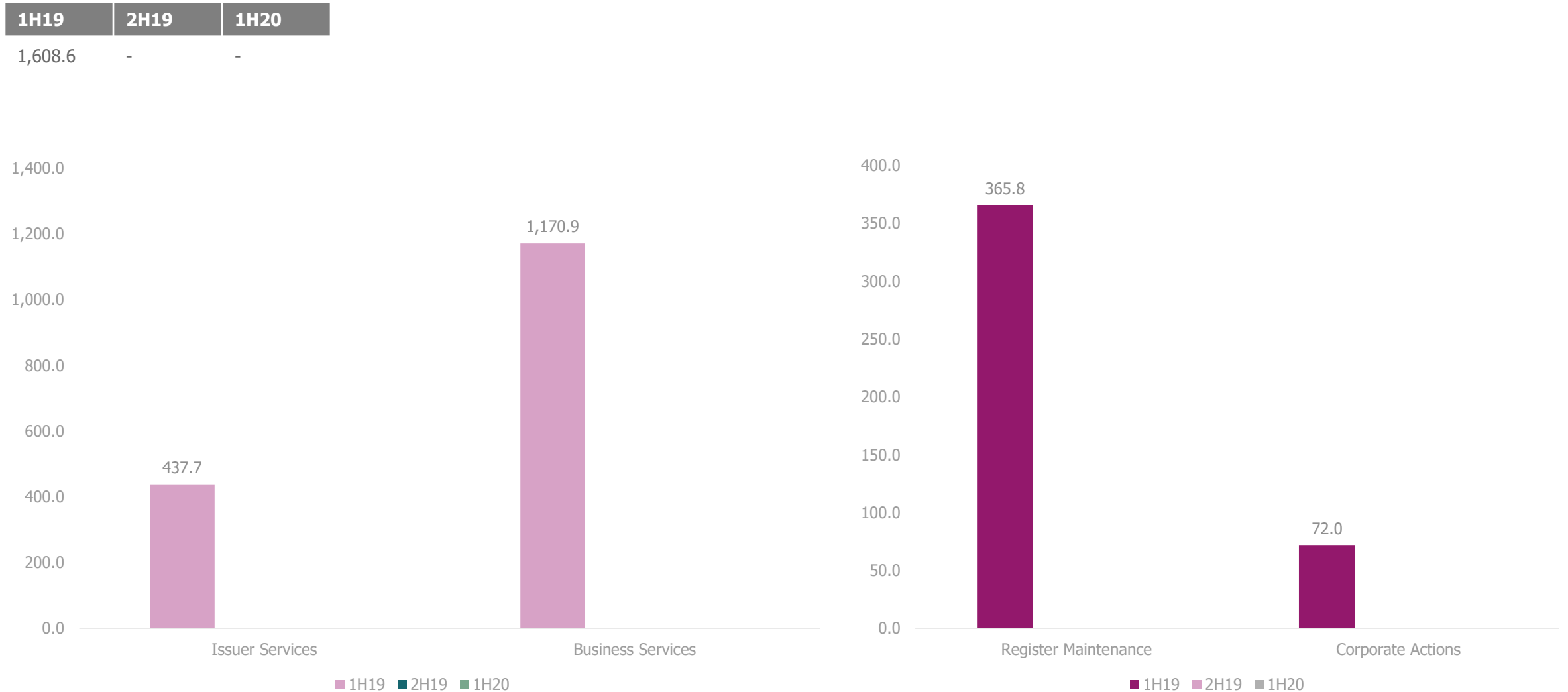
Management revenue: HKD million

1H19	2H19	1H20
264.6	256.6	288.7



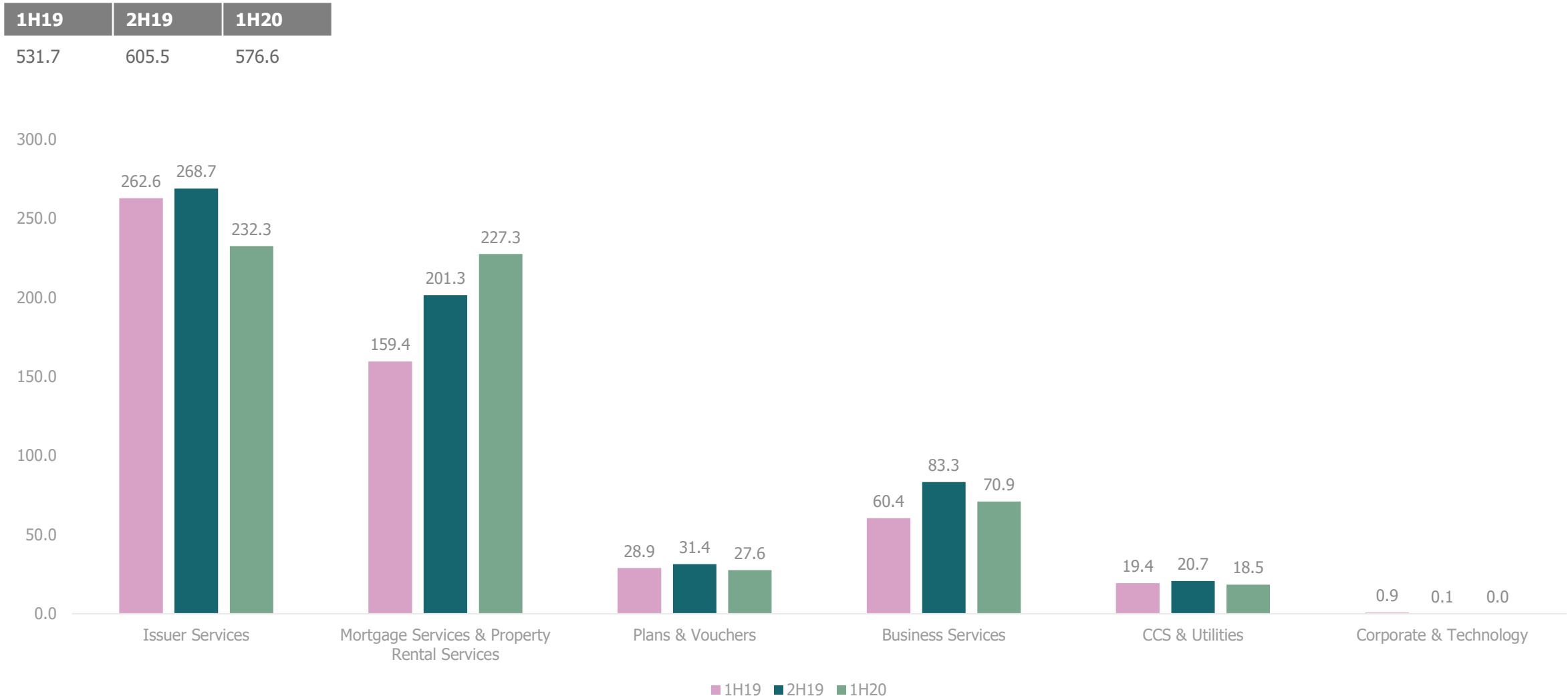
India (including Issuer Services breakdown)

Management revenue: INR million



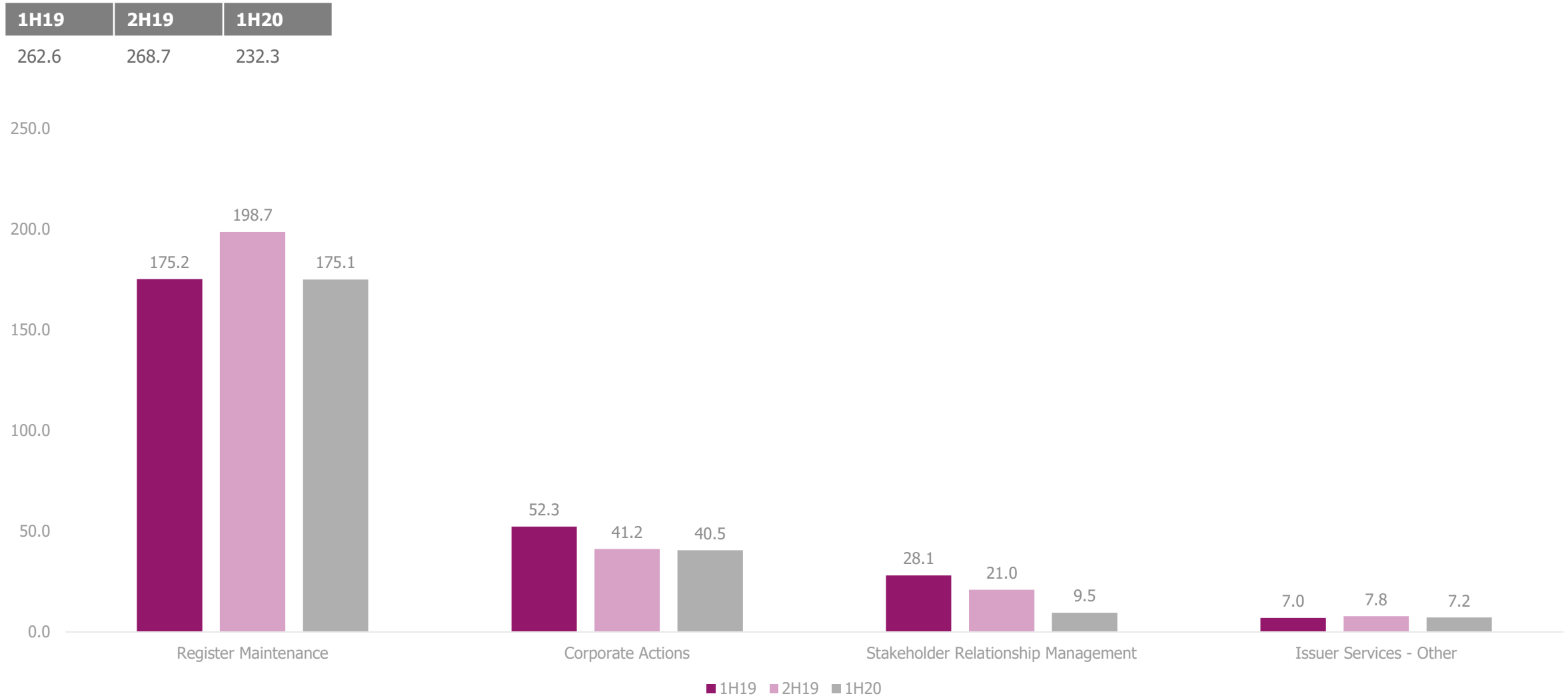
USA

Management revenue: USD million



USA – Issuer Services

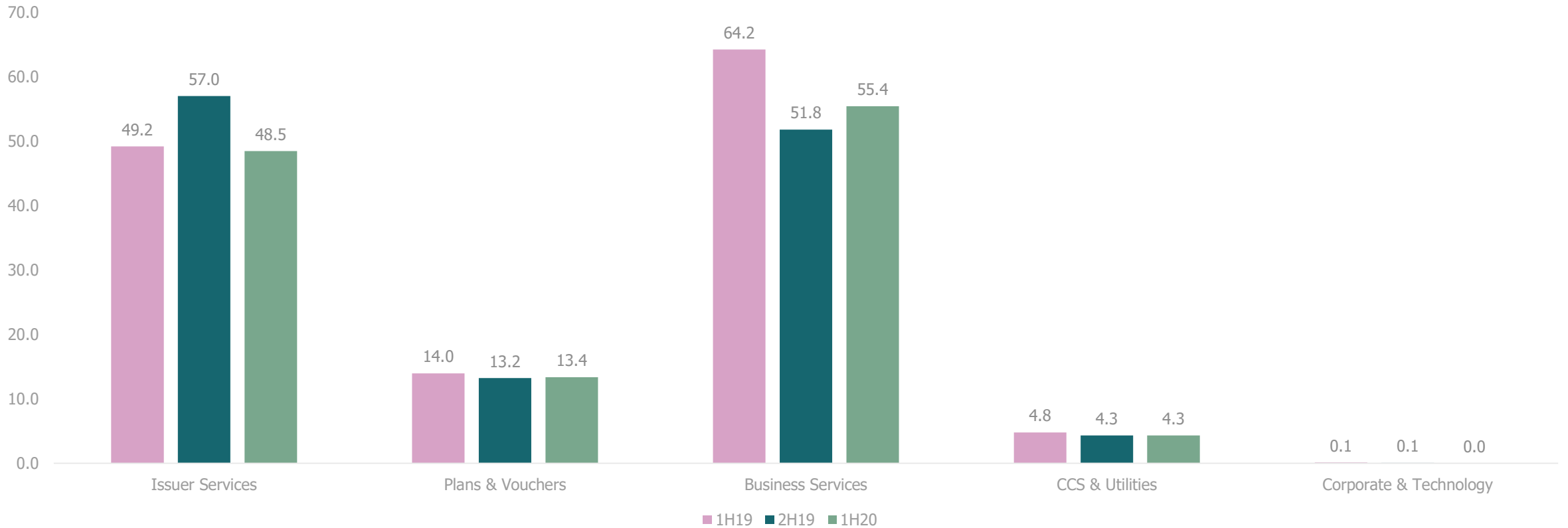
Management revenue: USD million



Canada

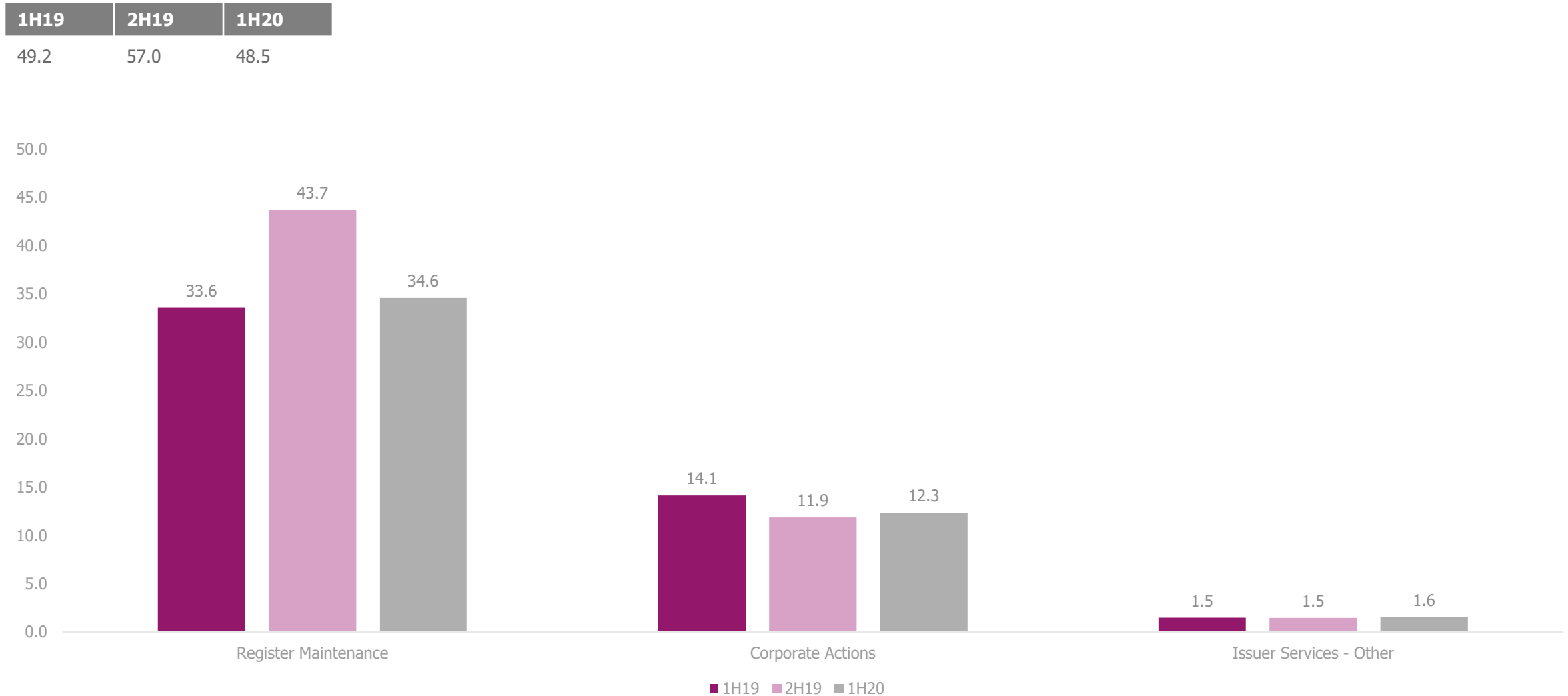
Management revenue: CAD million

1H19	2H19	1H20
132.3	126.4	121.6



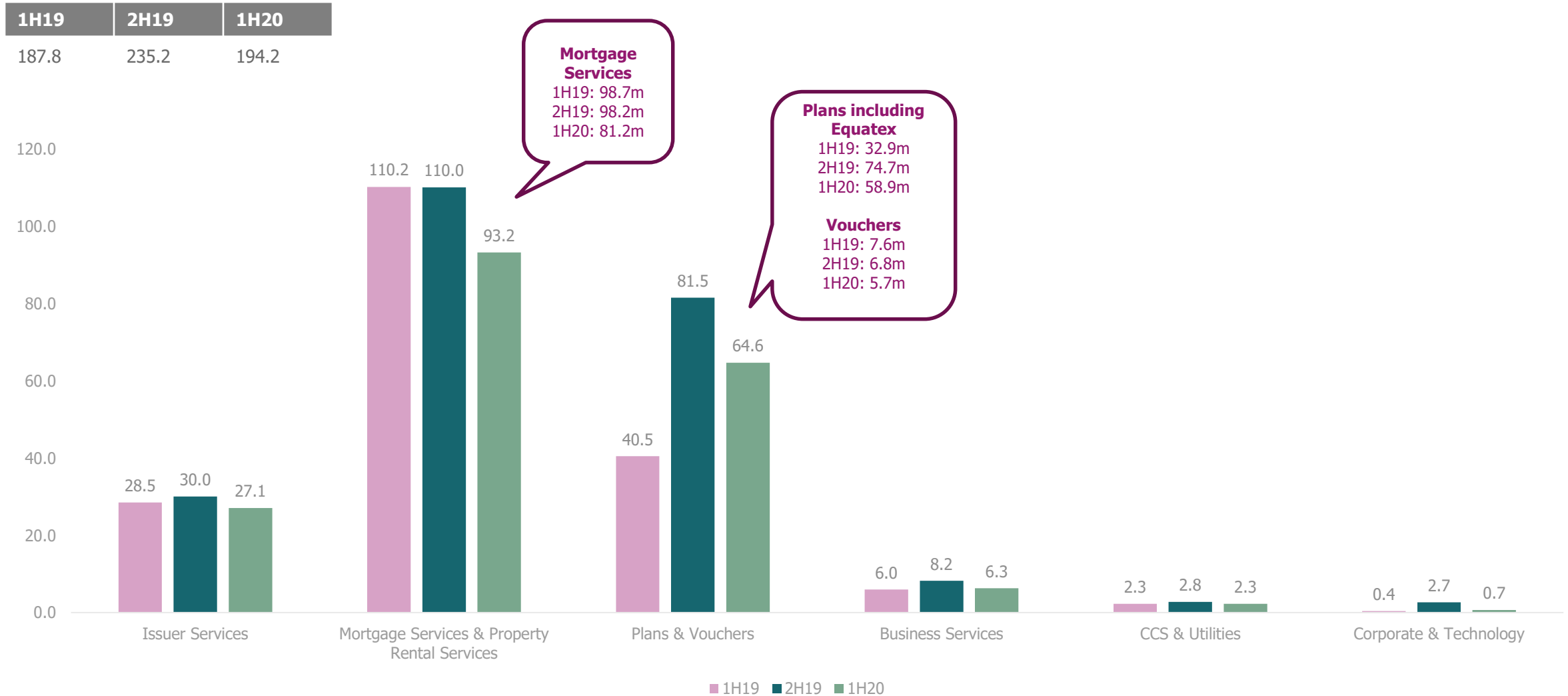
Canada – Issuer Services

Management revenue: CAD million



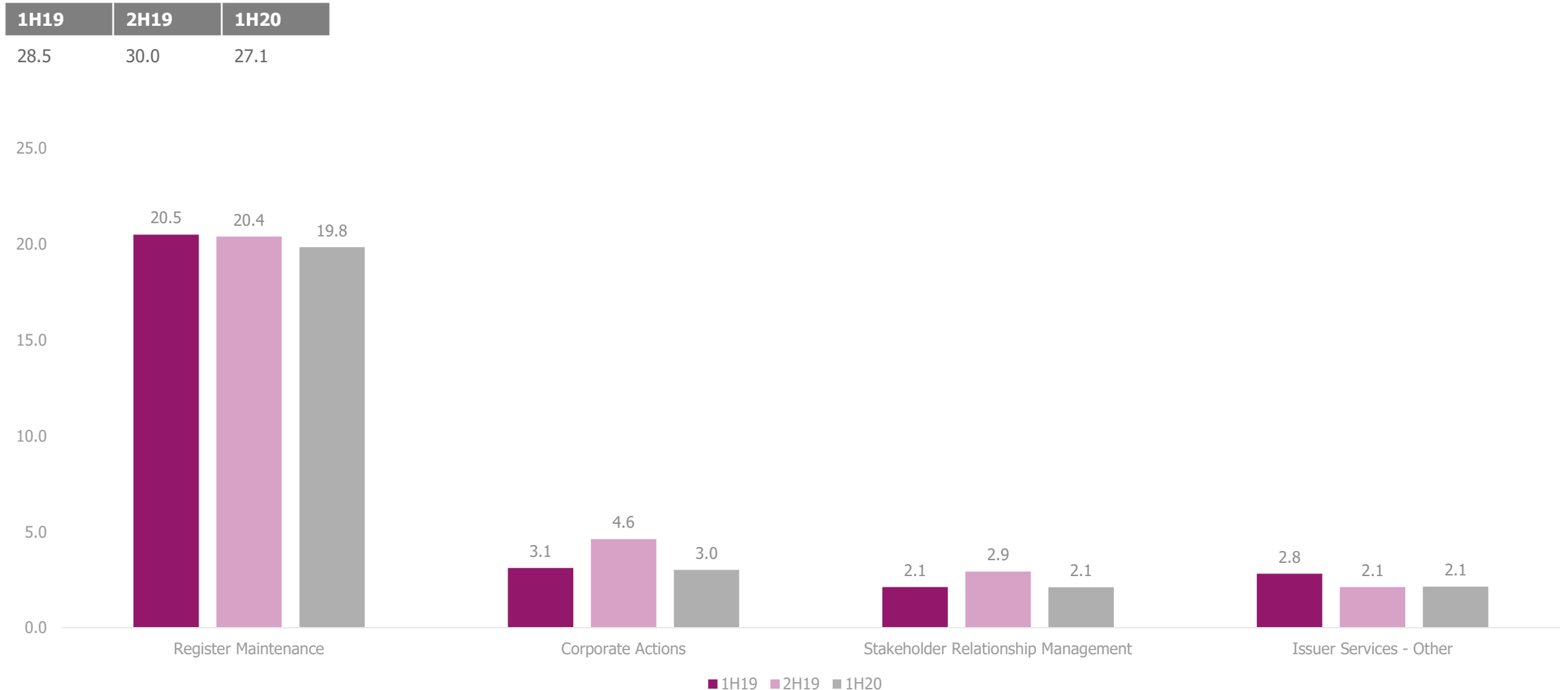
UK, Channel Islands & Equatex

Management revenue: GBP million



UK and Channel Islands – Issuer Services

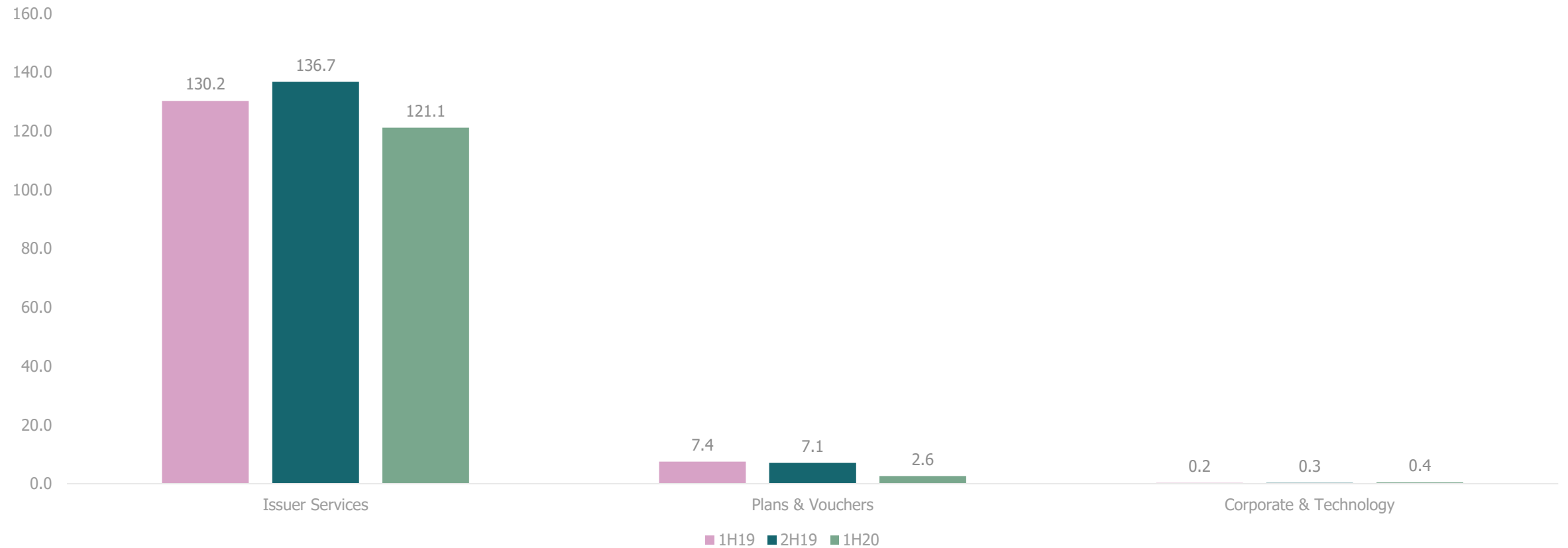
Management revenue: GBP million



South Africa

Management revenue: RAND million

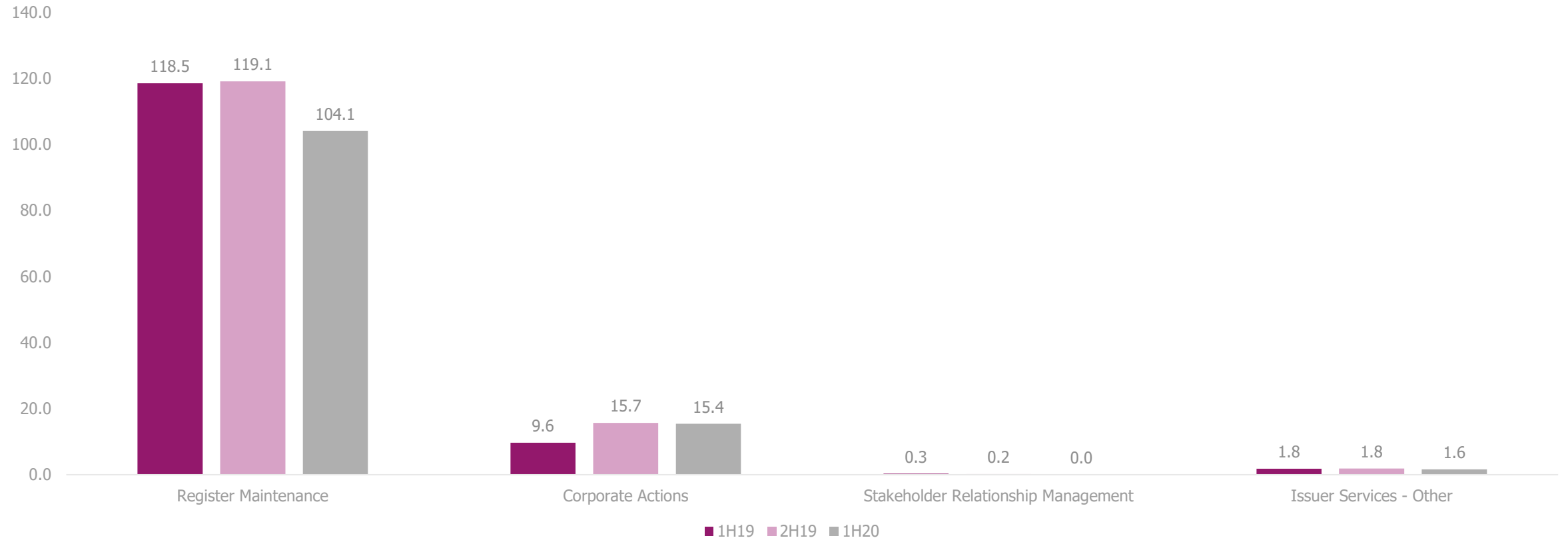
1H19	2H19	1H20
137.9	144.1	124.1



South Africa – Issuer Services

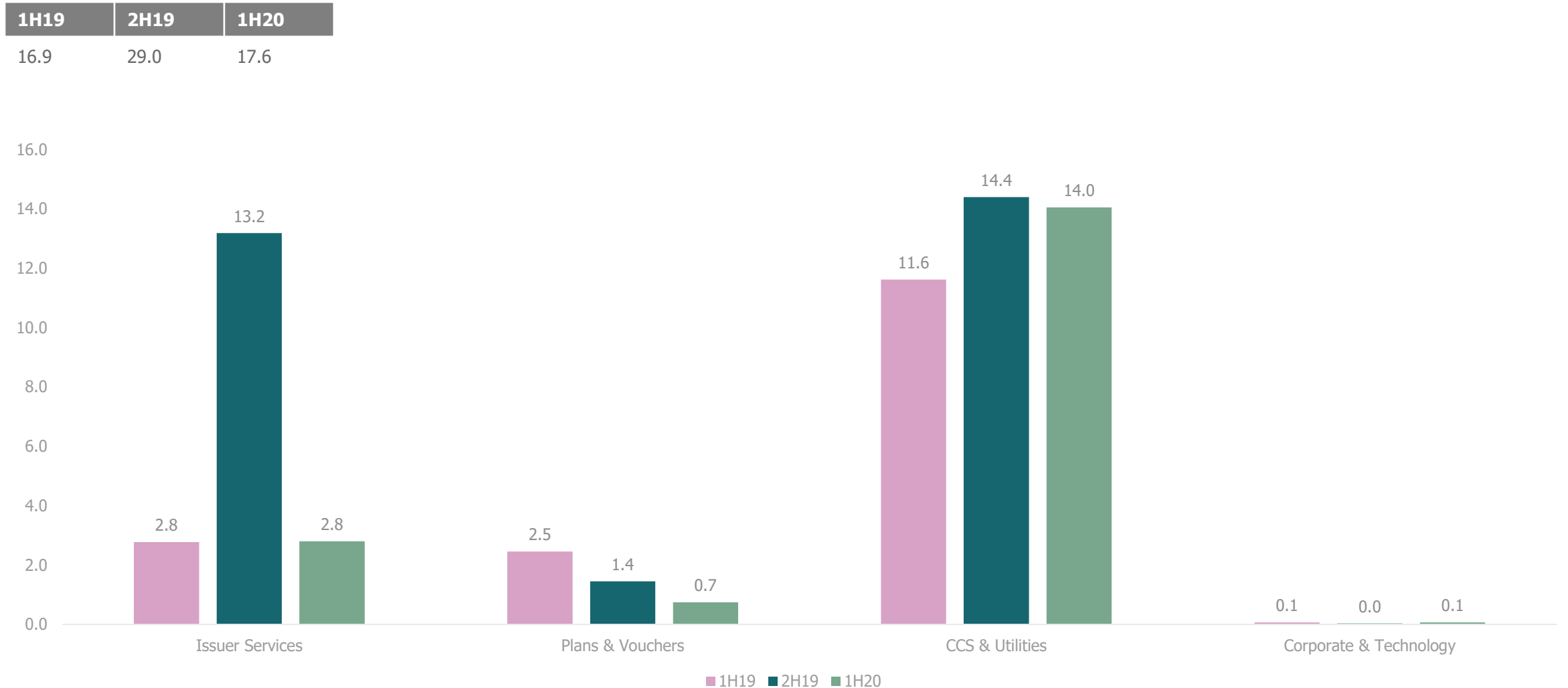
Management revenue: RAND million

1H19	2H19	1H20
130.2	136.7	121.1



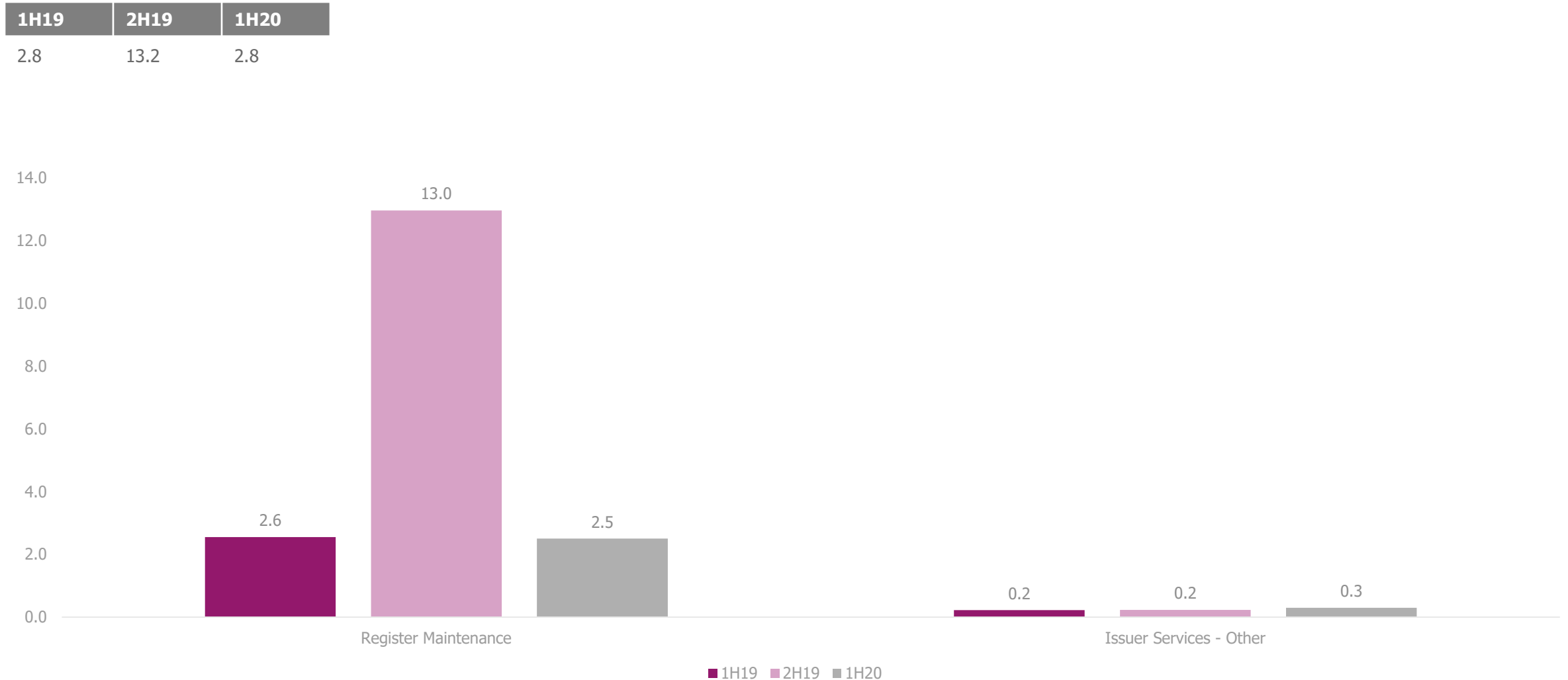
Germany

Management revenue: EUR million

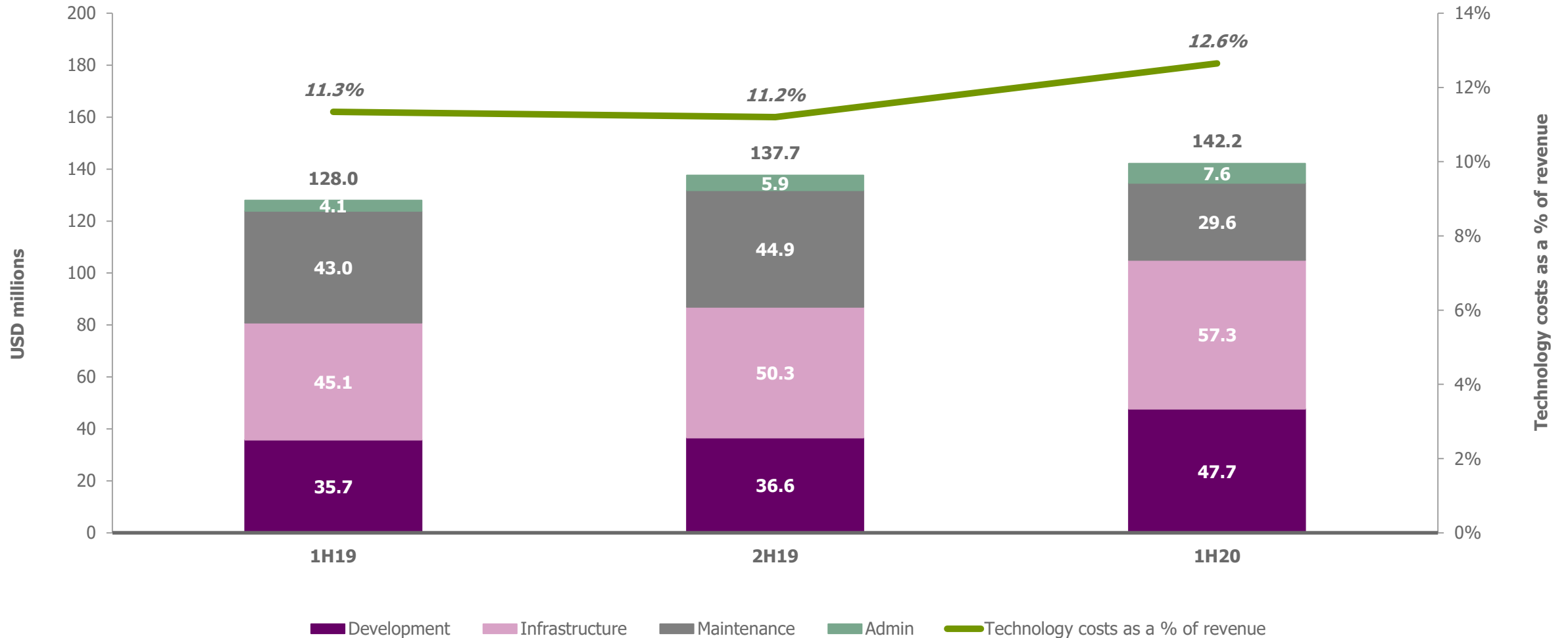


Germany – Issuer Services

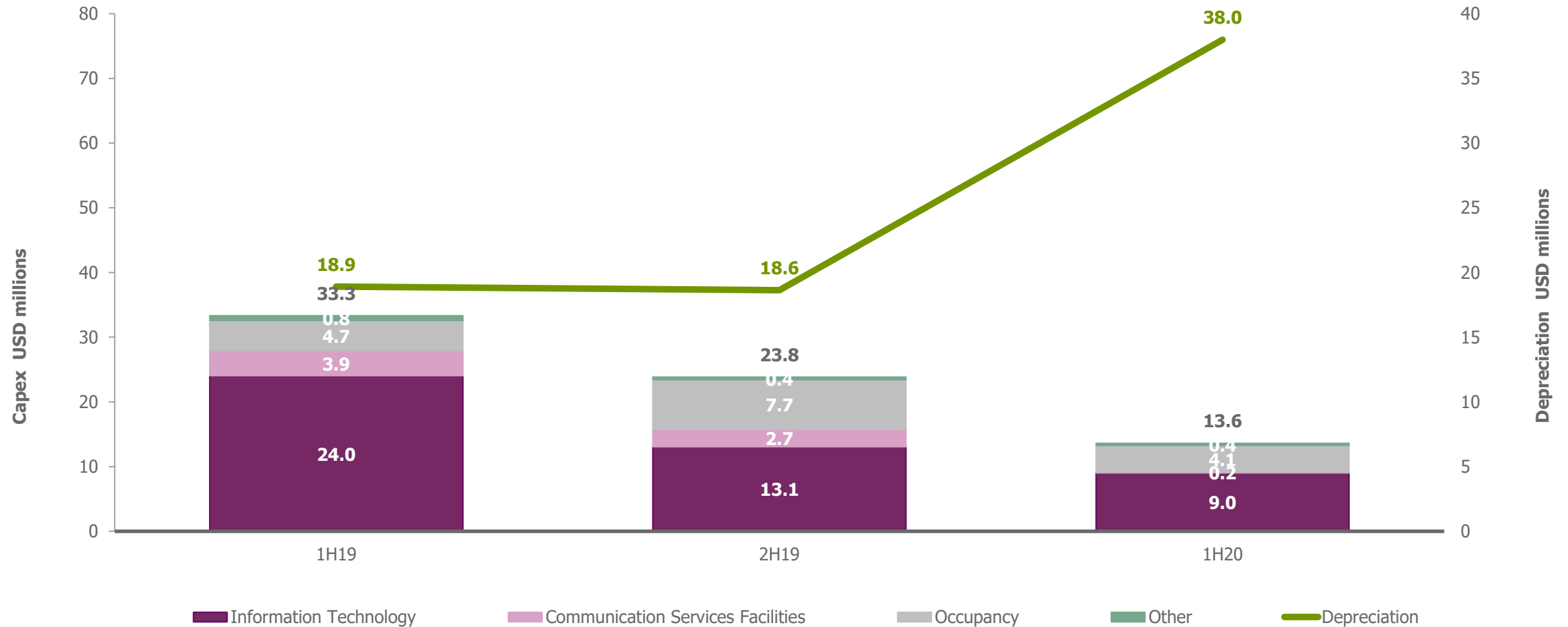
Management revenue: EUR million



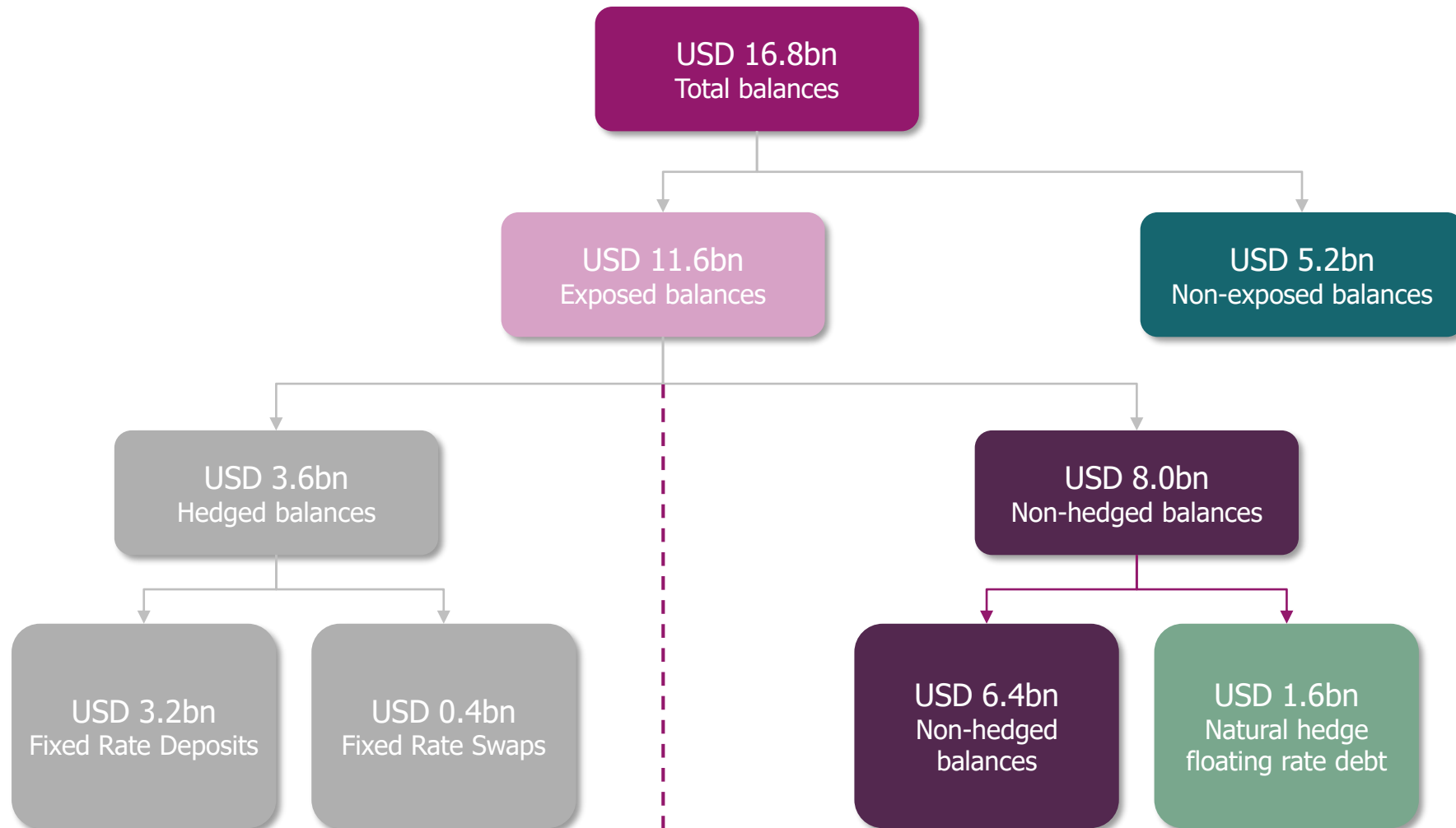
Technology costs at actual FX rates



Capital expenditure versus depreciation at actual FX rates



Breakdown of client balances



Lagged impact from rate changes

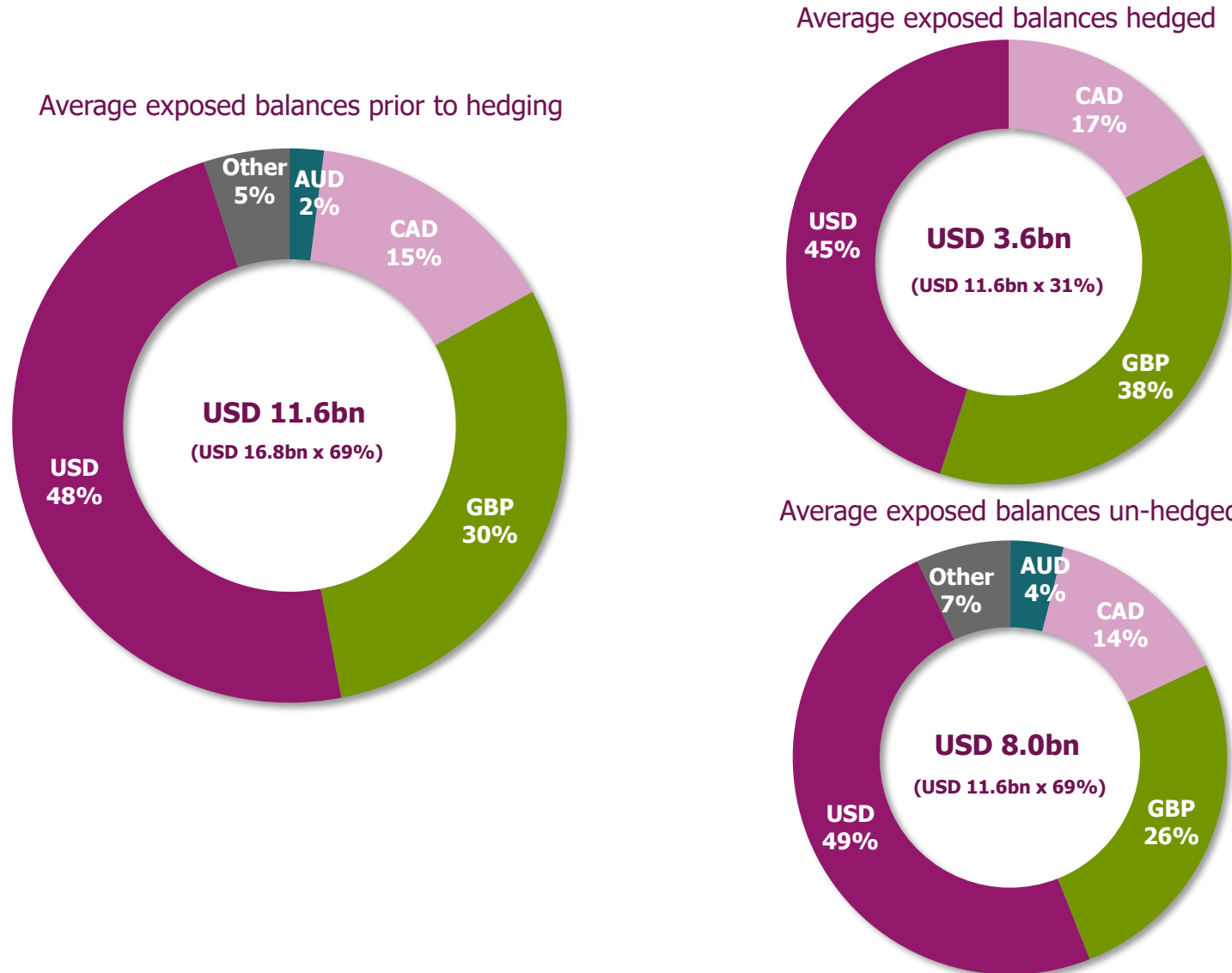
Immediate impact from rate changes

Exposed and non-exposed balances by business

Business Activity	1H FY20 Balances (USD billions)		Margin income (USD millions)	Business Activity	1H FY19 Balances (USD billions)		Margin income (USD millions)
	Exposed	Non-exposed			Exposed	Non-exposed	
<i>Register Maintenance</i>	2.3	0.7	20.0	<i>Register Maintenance</i>	2.4	0.5	20.1
<i>Corporate Actions</i>	1.7	1.3	24.4	<i>Corporate Actions</i>	3.7	3.7	41.0
Issuer Services	4.0	2.0	44.4	Issuer Services	6.1	4.2	61.1
Employee Share Plans & Vouchers	1.4	0.2	6.4	Employee Share Plans & Vouchers	1.6	0.2	7.1
Business Services	2.4	3.0	32.9	Business Services	2.1	3.7	30.7
Mortgage Services & Property Rental Services	3.8	0.0	32.3	Mortgage Services & Property Rental Services	3.1	0.0	26.4
Totals	11.6bn	5.2bn	116.0m	Totals	12.9bn	8.1bn	125.2m
		16.8bn				21.0bn	
Margin income	\$103.7m	\$12.3m		Margin income	\$103.0m	\$22.2m	
Average annualised yield	1.79%	0.47%		Average annualised yield	1.60%	0.55%	

Breakdown of exposed balances by currency

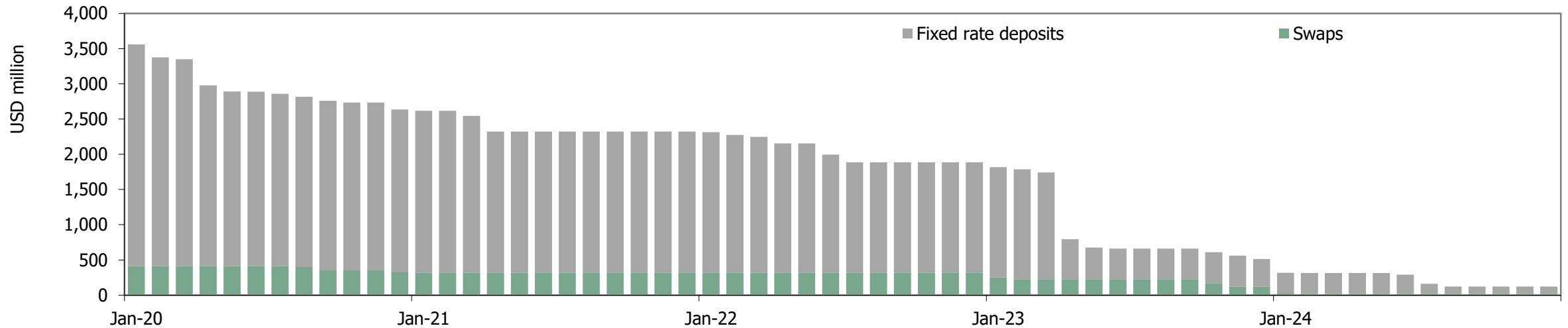
USD exposed balances continues to be the largest component



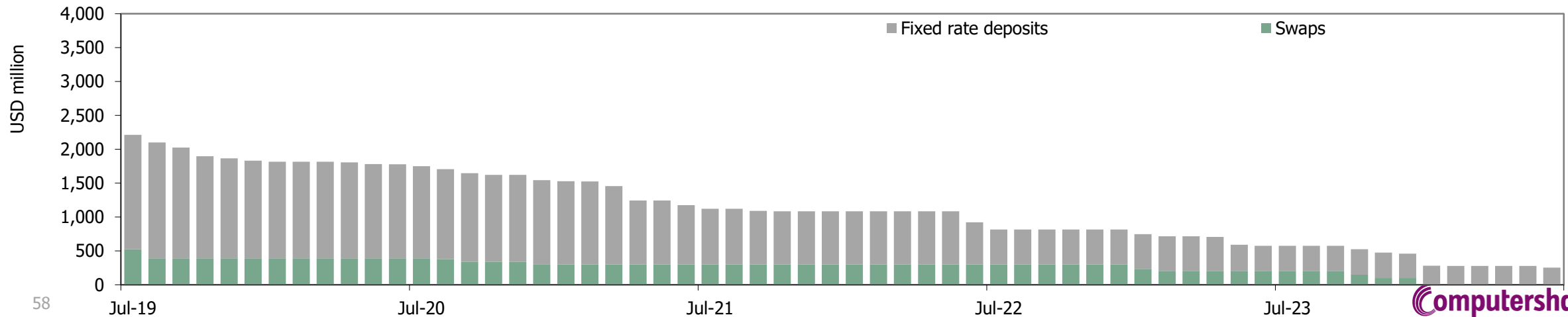
Profile of our swap and fixed rate deposit book

Additional hedging undertaken in 1H20

As at 31 December 2019

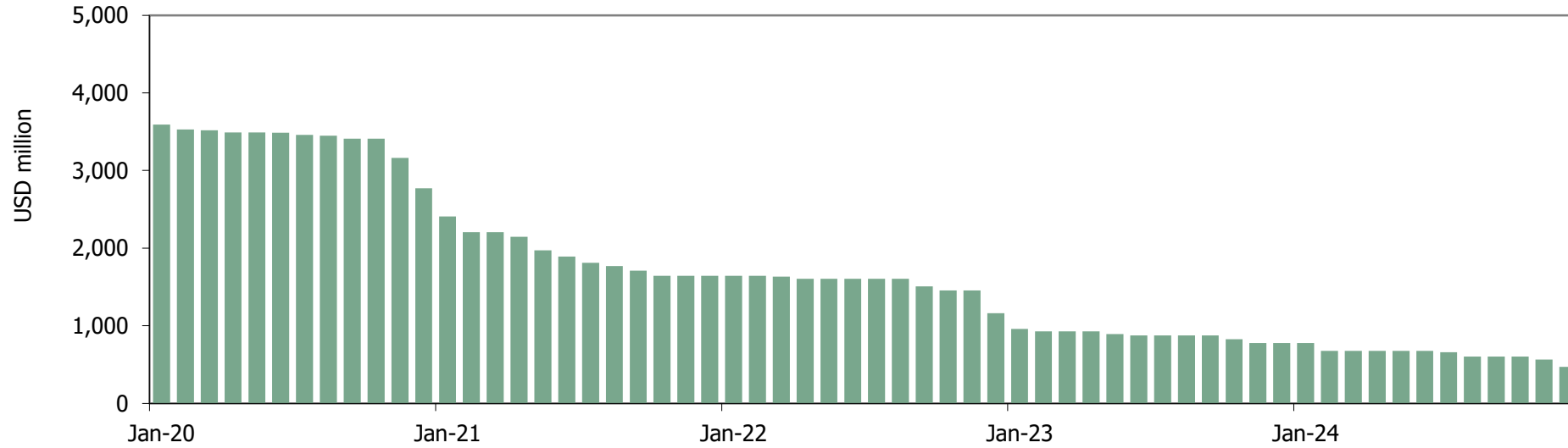


As at 30 June 2019

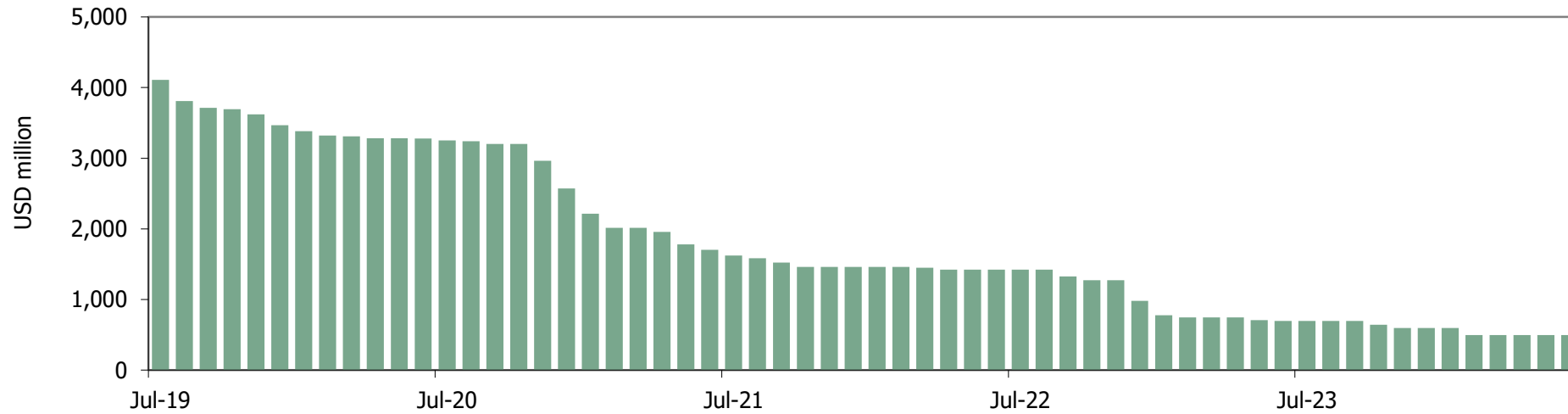


Profile of floating rate deposits

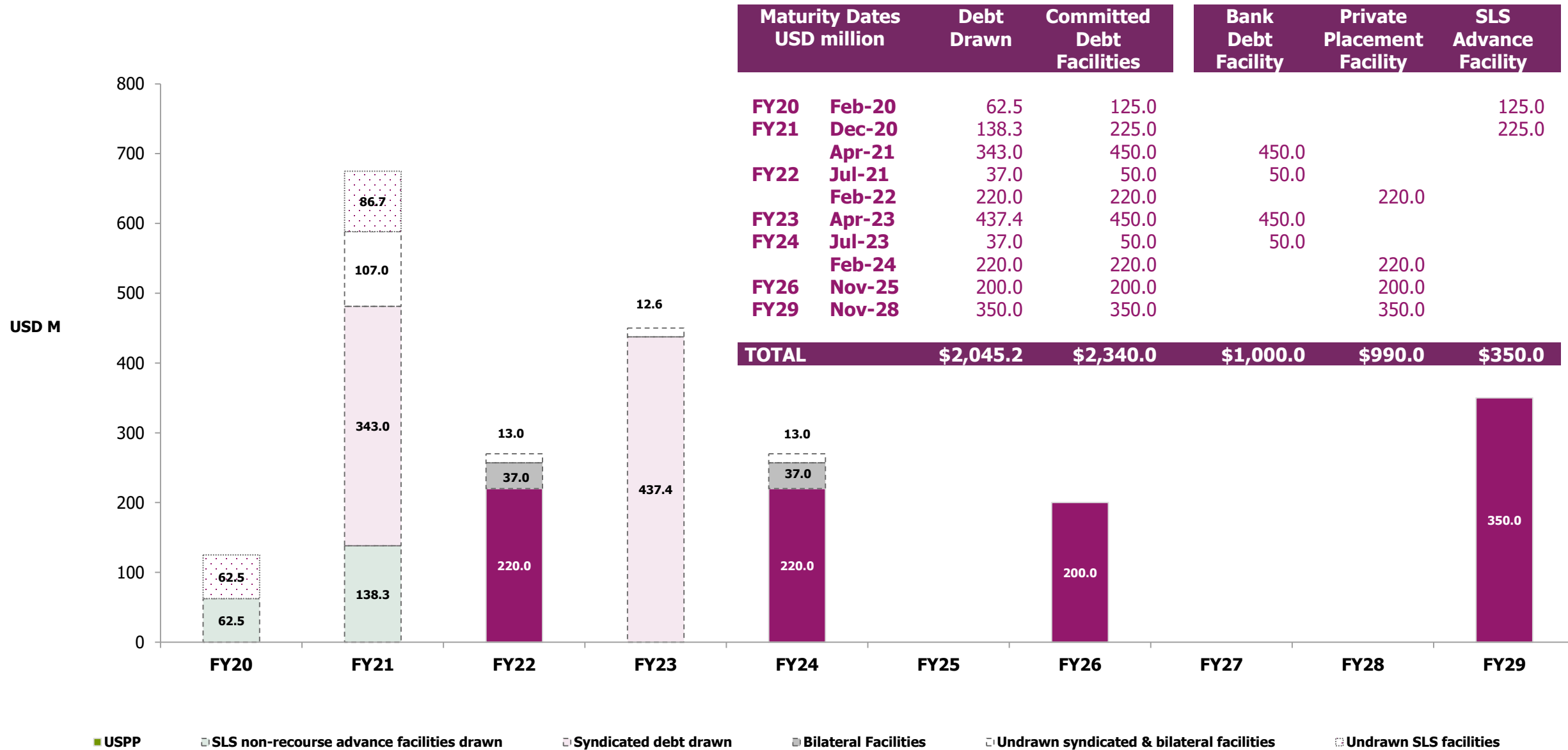
As at 31 December 2019



As at 30 June 2019

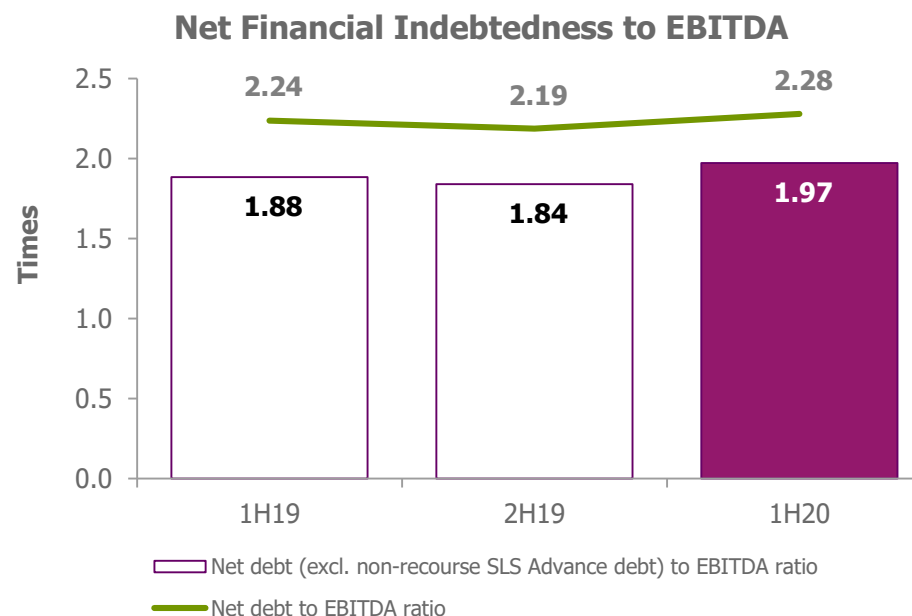
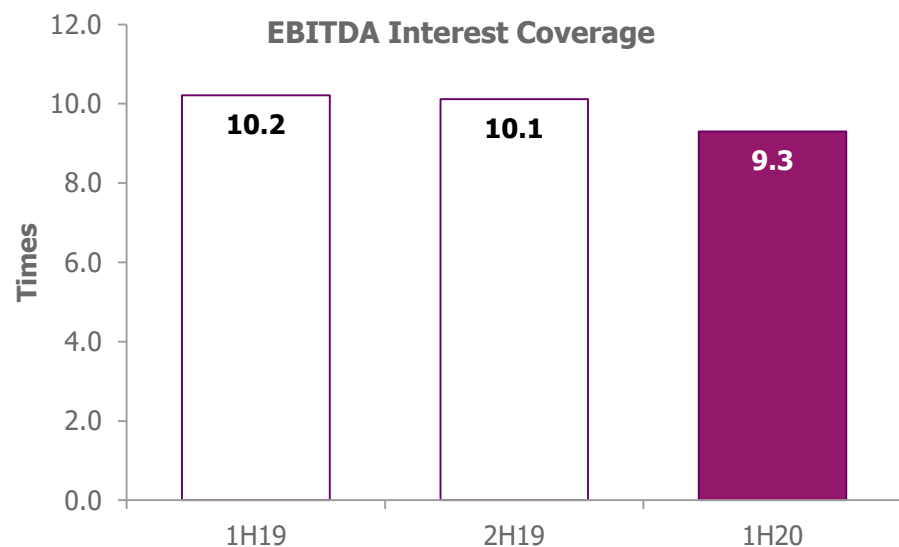


Debt maturity profile – 31 December 2019



Key financial ratios

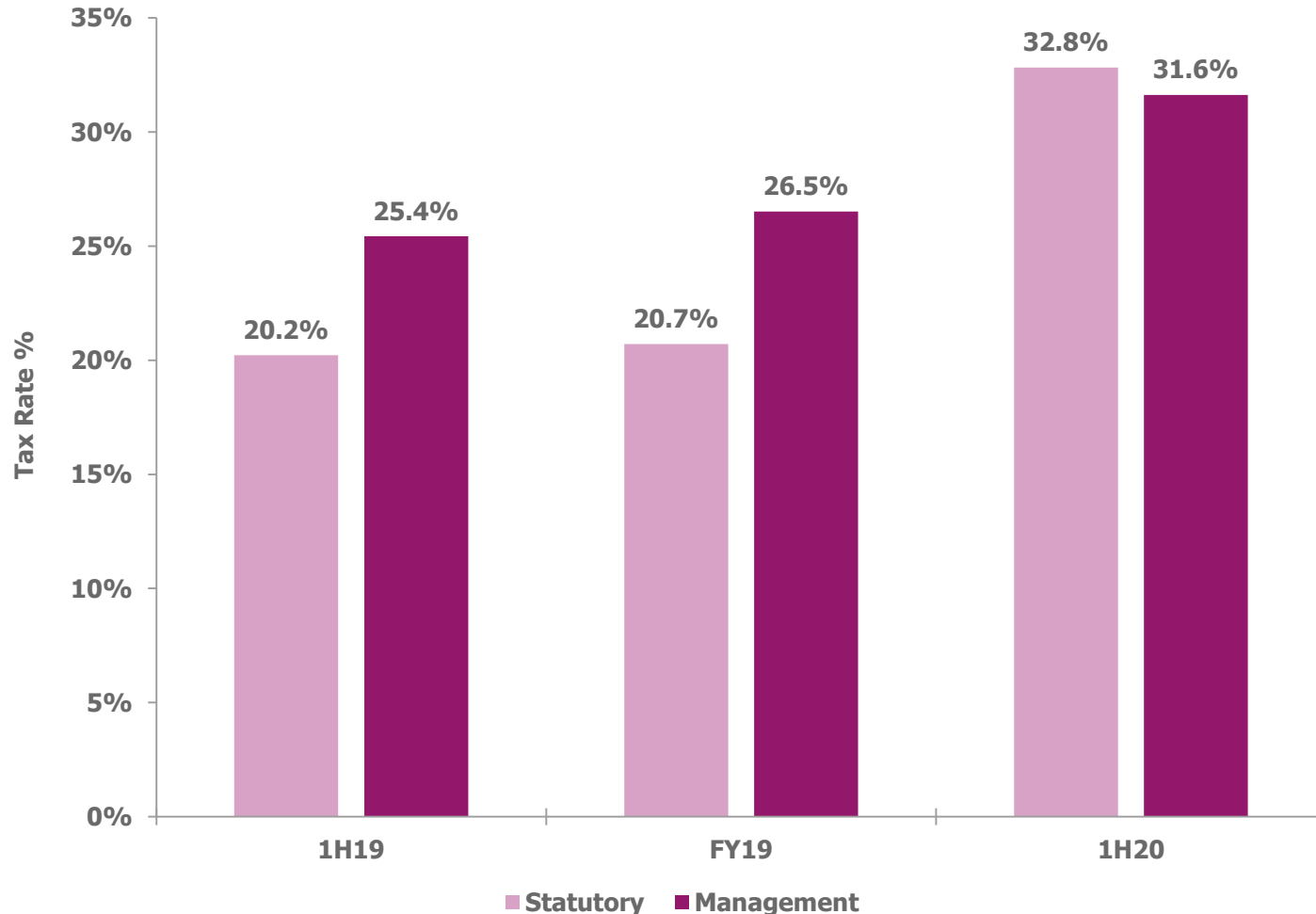
	Dec 19 USD m	Jun 19 USD m	Variance Dec 19 to Jun 19
Interest Bearing Liabilities including SLS advance debt	\$2,097.6	\$2,036.3	+3.0%
Less Cash	(\$548.5)	(\$561.3)	-2.3%
Net Debt including non-recourse SLS advance debt	\$1,549.1	\$1,475.0	+5.0%
Net debt excluding non-recourse SLS advance debt	\$1,340.1	\$1,241.4	+8.0%
Management EBITDA	\$680.1	\$674.9	+0.8%
Net Financial Indebtedness to EBITDA	2.28 times	2.19 times	Up 0.09 times
Net Financial Indebtedness to EBITDA^{1, 2}	1.97 times	1.84 times	Up 0.13 times



¹ excludes non-recourse SLS advance debt

Effective tax rate

Statutory and management (at actual FX rates)



- > The Group's statutory effective tax rate has increased from 20.2% in 1H19 to 32.8% in 1H20
- > The Group's management effective tax rate has increased from 25.4% in 1H19 to 31.6% in 1H20. This is due to favourable benefit in 1H19 related to settlement of legacy issue, current period profit mix with proportionately more profits arising in higher tax rate countries and an increase in US BEAT driven by reduced US taxable income

Dividend history and franking



Franking (%)												
1H14	2H14	1H15	2H15	1H16	2H16	1H17	2H17	1H18	2H18	1H19	2H19	1H20
20%	20%	20%	25%	100%	20%	30%	0%	0%	100%	30%	30%	30%

US and UK Mortgage Services – UPB and number of loans

US Mortgage Services UPB up 9.6% (\$111.6bn v \$101.8bn)

		Performing		Non-performing		
		At 31 Dec 19	At 30 Jun 19	At 31 Dec 19	At 30 Jun 19	
Mortgage Servicing	U.S.	Fully-Owned MSRs ¹	\$22.3bn 97K Loans	\$13.7bn 66K Loans	\$9.7bn 88K Loans	\$10.6bn 97K Loans
		Part-Owned MSRs ²	Excess strip deals \$24.6bn 119K Loans	Excess strip deals \$24.3bn 113K Loans	SPV deals \$18.3bn 93K Loans	SPV deals \$19.2bn 95K Loans
		Subservicing ³	\$22.6bn 148K Loans	\$21.7bn 129K Loans	\$14.1bn 130K Loans	\$12.3bn 119K Loans
	Total US UPB	\$69.5bn	\$59.7bn	\$42.1bn	\$42.1bn	
	U.K.	Fee for Service ^{3,4}	£46.3bn 360k Loans	£48.1bn 381K Loans	£4.1bn 31K Loans	£4.2bn 34K Loans

¹ CPU owns the MSR outright

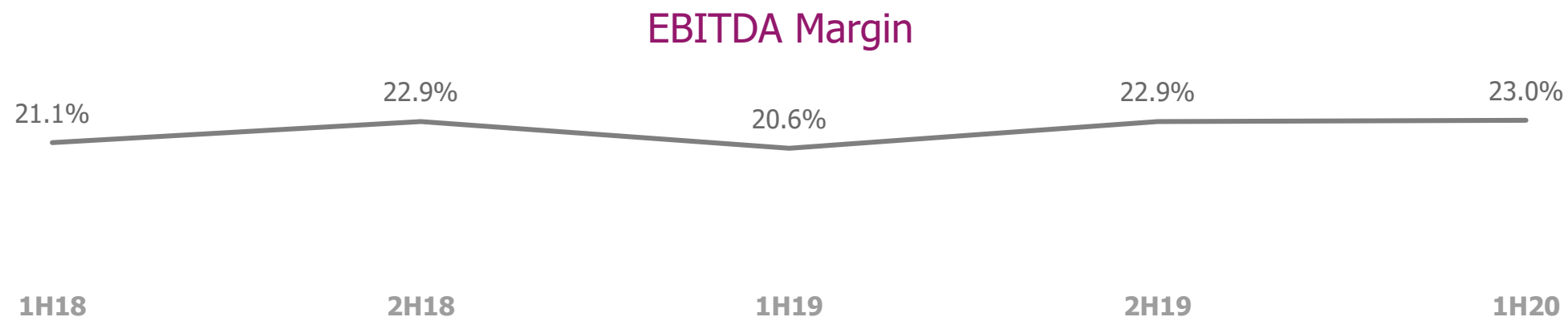
² CPU has sold part of the MSR to a third party investor

³ Servicing performed on a contractual basis

⁴ UK includes bureau UPB value, but excludes the number of bureau loans

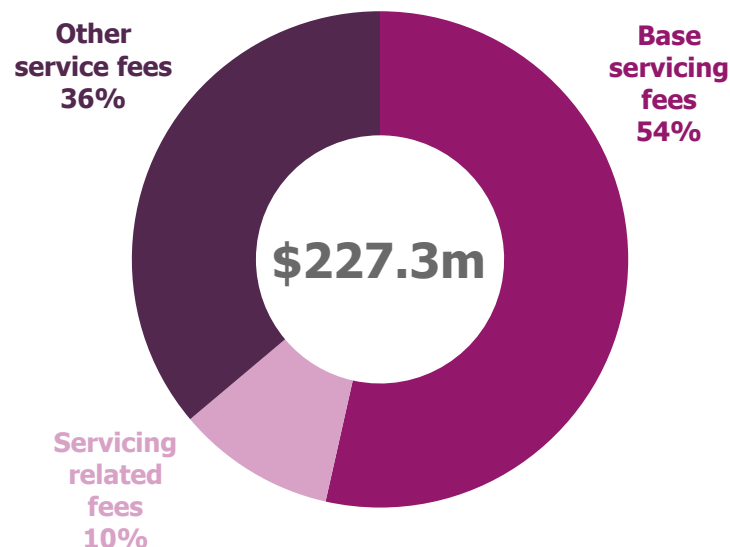
Mortgage Services Revenue and EBITDA at actual FX rates

	1H18	2H18	1H19	2H19	1H20
US Mortgage Services revenue	\$143.4	\$162.7	\$159.4	\$201.3	\$227.3
UK Mortgage Services revenue	\$122.1	\$132.9	\$128.0	\$127.1	\$101.6
Total Mortgage Services revenue	\$265.4	\$295.6	\$287.4	\$328.4	\$328.9
Total Mortgage Services EBITDA	\$56.0	\$67.6	\$59.2	\$75.3	\$75.6
EBITDA Margin %	21.1%	22.9%	20.6%	22.9%	23.0%



Financial snapshot – US Mortgage Services

1H20 revenue composition



- Base servicing fees, \$121.6m, +28.4%
- Servicing related fees \$23.5m, +5.8%
- Other services fees \$82.1m, +93.3%

	Dec-19	Jun-19	Annual Report reference	
Net Loan Servicing Advances	\$101.0	\$59.5	<ul style="list-style-type: none"> • Note 16 Loan servicing advances • Note 14 Interest bearing liabilities 	<ul style="list-style-type: none"> ▪ <i>Loan servicing advances</i> ▪ <i>SLS non-recourse lending facility</i>
Net MSR intangible asset	\$440.0	\$330.3	<ul style="list-style-type: none"> • Note 9 Intangible assets • Note 24 Mortgage servicing related liabilities 	<ul style="list-style-type: none"> ▪ <i>Mortgage servicing rights</i> ▪ <i>Mortgage servicing related liabilities</i>
Investment in SPVs	\$34.0	\$38.6	<ul style="list-style-type: none"> • Note 13 Financial assets and liabilities at fair value through profit or loss 	<ul style="list-style-type: none"> ▪ <i>Investment in structured entities</i>
Other intangible assets ¹	\$72.1	\$73.7	<ul style="list-style-type: none"> • Note 9 Intangible assets 	<ul style="list-style-type: none"> ▪ <i>Goodwill; Other</i>
Total invested capital	\$647.1	\$502.2		
Net cash payments for MSR purchases	\$139.3	\$100.4*	<ul style="list-style-type: none"> • Cashflow statement 	<ul style="list-style-type: none"> ▪ <i>Investing cash flow - Payments for intangible assets including MSRs</i>
MSR amortisation	\$29.7	\$43.1*	<ul style="list-style-type: none"> • Note 3 Expenses 	<ul style="list-style-type: none"> ▪ <i>Total Amortisation (net)</i>

¹ Other intangibles are largely goodwill and acquired client lists related to acquisitions
 * Figures represent full year impact for FY19

Mortgage services key terms

Performing servicing: Servicing of a mortgage which is less than 30 days delinquent. Typically loans that meet the criteria of the Government Sponsored Entities e.g. "Fannie Mae", "Freddie Mac".

Non-performing servicing: Servicing of a mortgage that is over 30 days delinquent up to management of the foreclosure process. Typically, non-performing servicing is performed over loans that are part of a securitization arrangement.

Mortgage servicing rights: Intangible assets representing an ownership right to service the mortgage for a fee for the life of the mortgage. The owner of the MSR can either service the loan itself or appoint a sub-servicer to do so.

Servicing advances: The owner of the MSR is required to fund various obligations required to protect a mortgage if the borrower is unable to do so. Advances receive a priority in any liquidation and are often financed in standalone non-recourse servicing advance facilities.

Part owned MSRs

- > An Excess Strip Sale refers to the sale of a stream of cash flows associated with the servicing fee on a performing MSR. The seller of the servicing strip has the ability to service the mortgage.
- > An SPV deal refers to the sale of the rights to the MSR and associated servicing advances into an SPV. CPU typically takes a 20% equity stake in the SPV and performs all servicing on the loans via a sub-servicing fee for service relationship.

US mortgage services – revenue definitions

Base fees – Fees received for base servicing activities

- > Fees are generally assessed in bps for owned or structured deals, while subservicing is usually paid as a \$ fee
- > Subservicing fees vary by loan delinquency or category

Servicing related fees – Additional fees received from servicing a loan

- > Loss mitigation fees e.g. for loan modifications
- > Ancillary Fees e.g. late fees
- > Margin income

Other service fees

- > Includes valuation, real estate disposition services, loan fulfilment services and CMC Coop Services

1H20

PREVIOUS BUSINESS STREAM REPORTING



Explaining the new business streams

> **Issuer Services**

Register Maintenance, Corporate Actions and Stakeholder Relationship Management now form Issuer Services. We have also added our Corporate Governance software products business that provides entity management and board portals solutions, this was previously in Corporate, Technology and Other

> **Mortgage Services**

Mortgage Services is now a stand alone business stream. It includes US and UK Mortgage Services and our Property Rental Service business including the Deposit Protection Scheme

> **Business Services**

Will now be made up of Bankruptcy, Class Actions, Corporate Trust (including Bonds previously classified as Register Maintenance) and for historical purposes Karvy Funds (disposed in FY19)

> **Employee Share Plans**

Voucher Services, previously in Business Services, is now in Employee Share Plans

> **Communication Services**

Will now include Utilities (previously Business Services)

> **Corporate and Technology**

Corporate and Technology includes shared service functions including Risk, Internal Audit, Global Information Security and Corporate. Other includes income previously classified as Tech & Other and expenses associated with performance incentives

Management revenue by business stream

Business stream	1H20 @ CC	1H19 Actual	CC Variance	1H20 Actual
Business Services	\$475.0	\$443.9	+7.0%	\$469.6
Register Maintenance	\$330.8	\$339.6	-2.6%	\$326.0
Corporate Actions	\$76.8	\$91.7	-16.2%	\$75.9
Employee Share Plans	\$143.7	\$116.6	+23.2%	\$141.2
Communication Services	\$82.4	\$83.2	-0.9%	\$79.1
Stakeholder Relationship Mgt	\$18.3	\$35.5	-48.5%	\$18.1
Corporate & Technology	\$14.7	\$17.3	-15.0%	\$14.3
Total Management Revenue	\$1,141.7	\$1,127.8	+1.2%	\$1,124.3

EBITDA and margins by business stream

Business Stream	1H20 @ CC	1H19 Actual	CC Variance	1H20 EBITDA Margin in CC %	1H19 Actual EBITDA Margin %
Business Services	\$126.9	\$118.5	+7.1%	26.7%	26.7%
Register Maintenance & Corporate Actions	\$139.9	\$160.2	-12.7%	34.3%	37.1%
Employee Share Plans	\$27.4	\$22.1	+24.0%	19.1%	19.0%
Communication Services	\$15.2	\$14.5	+4.8%	18.4%	17.4%
Stakeholder Relationship Mgt	(\$5.1)	\$5.2	-198.1%	(27.9%)	14.6%
Corporate & Technology	\$34.4	\$10.9	n/a	n/a	n/a
Total Management EBITDA	\$338.7	\$331.4	+2.2%	29.7%	29.4%
Total Management EBITDA ex MI	\$221.6	\$206.2	+7.5%	21.6%	20.6%

EBITDA and margin income by business stream

Business Stream	1H20 EBITDA @ CC	1H20 MI @ CC	1H20 EBITDA ex MI @ CC	1H19 EBITDA	1H19 MI	1H19 EBITDA ex MI	CC Variance
Business Services	\$126.9	\$63.9	\$63.0	\$118.5	\$55.4	\$63.1	-0.2%
Register Maintenance & Corporate Actions	\$139.9	\$46.8	\$93.1	\$160.2	\$62.8	\$97.4	-4.4%
Employee Share Plans	\$27.4	\$6.5	\$20.9	\$22.1	\$7.0	\$15.1	38.4%
Communication Services	\$15.2	\$0.0	\$15.2	\$14.5	\$0.0	\$14.5	4.8%
Stakeholder Relationship Mgt	(\$5.1)	\$0.0	(\$5.1)	\$5.2	\$0.0	\$5.2	-198.1%
Corporate & Technology	\$34.4	\$0.0	\$34.4	\$10.9	\$0.0	\$10.9	n/a
Total Group	\$338.7	\$117.1	\$221.6	\$331.4	\$125.2	\$206.2	7.5%

Summary

Previous Business Stream Reporting	1H20 Revenue @ CC	1H20 EBITDA @ CC	1H20 Revenue	1H20 EBITDA
Register Maintenance	330.8	139.9	326.0	138.8
Corporate Actions	76.8		75.9	
Stakeholder Relationship Management	18.3	-5.1	18.1	-5.1
Total	429.0	134.8	425.2	133.7
Employee Share Plans	143.7	27.4	141.2	27.1
Vouchers				
Employee Share Plans & Voucher Services				
Business Services	475.0	126.9	469.6	126.3
Communication Services	82.4	15.2	79.1	14.5
Corporate & Technology	14.7	34.4	14.3	35.0
Total Group	1,141.7	338.7	1,124.3	336.6

New Business Stream Reporting	1H20 Revenue @ CC	1H20 EBITDA @ CC	1H20 Revenue	1H20 EBITDA
Issuer Services	430.5	130.1	424.3	129.0
Employee Share Plans & Voucher Services	151.5	32.5	148.8	31.9
Business Services	121.4	41.7	120.8	41.6
Mortgage Services & Property Rental Services	348.2	82.3	343.9	82.1
Communication Services & Utilities	86.7	14.5	83.1	14.0
Corporate & Technology	3.5	37.6	3.3	38.0
Total Group	1,141.7	338.7	1,124.3	336.6

Issuer Services

USD M	1H20 @ CC Revenue	1H20 @ CC EBITDA	1H20 Revenue	1H20 EBITDA
Register Maintenance	330.8	139.9	326.0	138.8
Corporate Actions	76.8		75.9	
Stakeholder Relationship Management	18.3	-5.1	18.1	-5.1
Total (per previous reporting)	429.0	134.8	425.2	133.7
Inclusions				
<i>Add Governance Services</i>	<i>8.1</i>	<i>-0.9</i>	<i>8.0</i>	<i>-0.9</i>
<i>Add Other</i>	<i>1.8</i>	<i>-0.8</i>	<i>1.6</i>	<i>-0.8</i>
Removals				
<i>Less Bonds/Successor Trustee and Escrow</i>	<i>-5.3</i>	<i>-3.0</i>	<i>-5.2</i>	<i>-3.0</i>
Issuer Services	430.5	130.1	424.3	129.0

Business Services

USD M	1H19 Revenue	1H19 EBITDA	FY19 Revenue	FY19 EBITDA
Business Services (per previous reporting)	475.0	126.9	469.6	126.3
Inclusions				
<i>Add Bonds/Successor Trustee and Escrow</i>	<i>5.3</i>	<i>3.0</i>	<i>5.2</i>	<i>3.0</i>
<i>Add Other</i>	<i>0.5</i>	<i>-0.2</i>	<i>0.5</i>	<i>-0.2</i>
Removals				
<i>Less Mortgage Services</i>	<i>-332.4</i>	<i>-75.7</i>	<i>-328.7</i>	<i>-75.7</i>
<i>Less Property Rental Services</i>	<i>-15.5</i>	<i>-7.9</i>	<i>-15.0</i>	<i>-7.5</i>
<i>Less Vouchers</i>	<i>-7.4</i>	<i>-5.0</i>	<i>-7.2</i>	<i>-4.8</i>
<i>Less Utilities</i>	<i>-4.0</i>	<i>0.6</i>	<i>-3.7</i>	<i>0.6</i>
Business Services	121.4	41.7	120.8	41.6

Employee Share Plans & Voucher Services

USD M	1H19 Revenue	1H19 EBITDA	FY19 Revenue	FY19 EBITDA
Employee Share Plans (per previous reporting)	143.7	27.4	141.2	27.1
Inclusions				
<i>Add Vouchers</i>	<i>7.4</i>	<i>5.0</i>	<i>7.2</i>	<i>4.8</i>
<i>Add Other</i>	<i>0.4</i>	<i>0.1</i>	<i>0.4</i>	<i>-0.0</i>
Employee Share Plans & Voucher Services	151.5	32.5	148.8	31.9

Communication Services & Utilities

USD M	1H19 Revenue	1H19 EBITDA
Communication Services (per previous reporting)	82.4	15.2
Inclusions		
<i>Add Utilities</i>	4.0	-0.6
<i>Add Other</i>	0.3	-0.1
Communication Services & Utilities	86.7	14.5

FY19 Revenue	FY19 EBITDA
79.1	14.5
3.7	-0.6
0.3	0.1
83.1	14.0

Mortgage Services & Property Rental Services

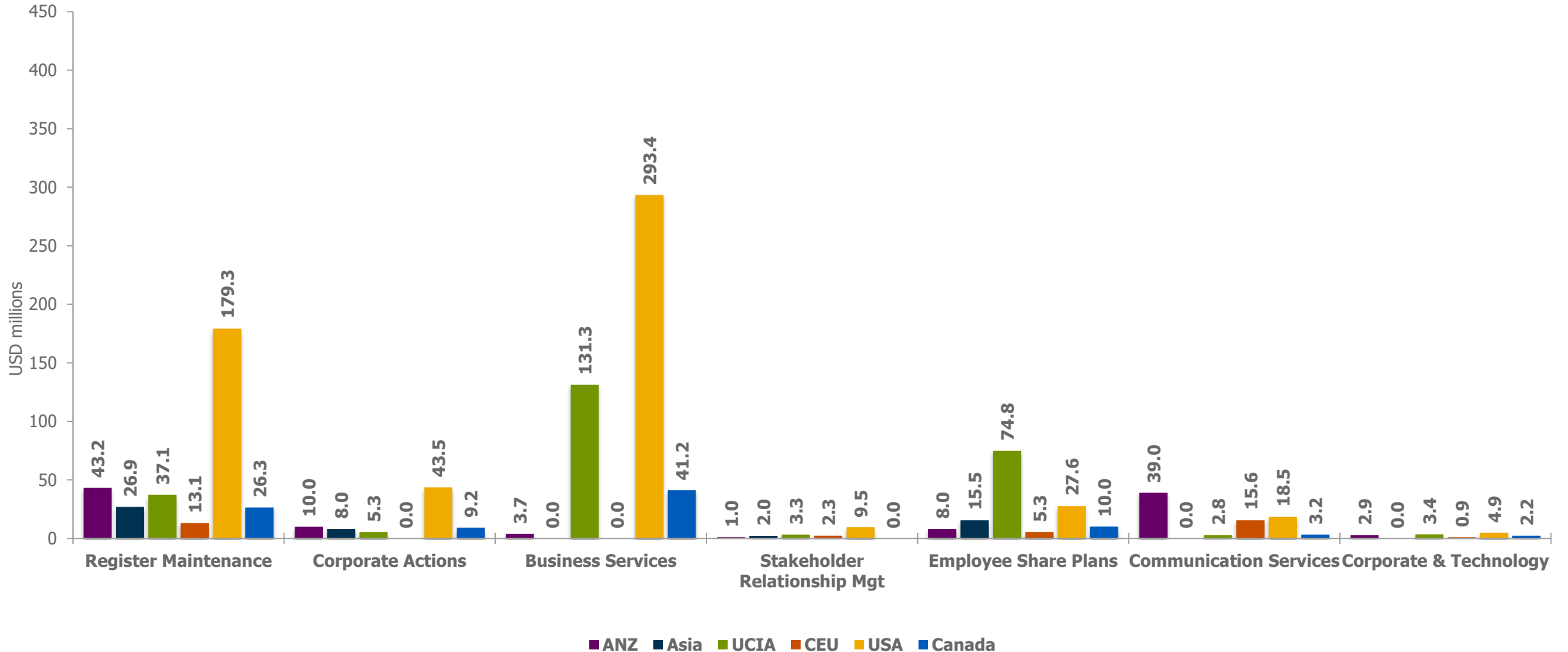
USD M	1H19 Revenue	1H19 EBITDA	FY19 Revenue	FY19 EBITDA
Mortgage Services (per previous reporting)	332.4	75.7	328.7	75.7
Inclusions				
<i>Add Property Rental Services</i>	15.5	7.9	15.0	7.5
<i>Add Other</i>	0.2	-1.3	0.3	-1.1
Mortgage Services & Property Rental Services	348.2	82.3	343.9	82.1

Corporate & Technology

USD M	1H19 Revenue	1H19 EBITDA	FY19 Revenue	FY19 EBITDA
Corporate & Technology (per previous reporting)	14.7	34.4	14.3	35.0
Removals				
<i>Less Governance Services</i>	<i>-8.1</i>	<i>0.9</i>	<i>-8.0</i>	<i>0.9</i>
<i>Less Other Issuer Services</i>	<i>-1.8</i>	<i>0.8</i>	<i>-1.6</i>	<i>0.8</i>
<i>Less Other Business Services</i>	<i>-0.5</i>	<i>0.2</i>	<i>-0.5</i>	<i>0.2</i>
<i>Less Other Employee Share Plans & Voucher Services</i>	<i>-0.4</i>	<i>-0.1</i>	<i>-0.4</i>	<i>0.0</i>
<i>Less Other Communication Services & Utilities</i>	<i>-0.3</i>	<i>0.1</i>	<i>-0.3</i>	<i>-0.1</i>
<i>Less Other Mortgage Services & Property Rental Services</i>	<i>-0.2</i>	<i>1.3</i>	<i>-0.3</i>	<i>1.1</i>
Corporate & Technology	3.5	37.6	3.3	38.0

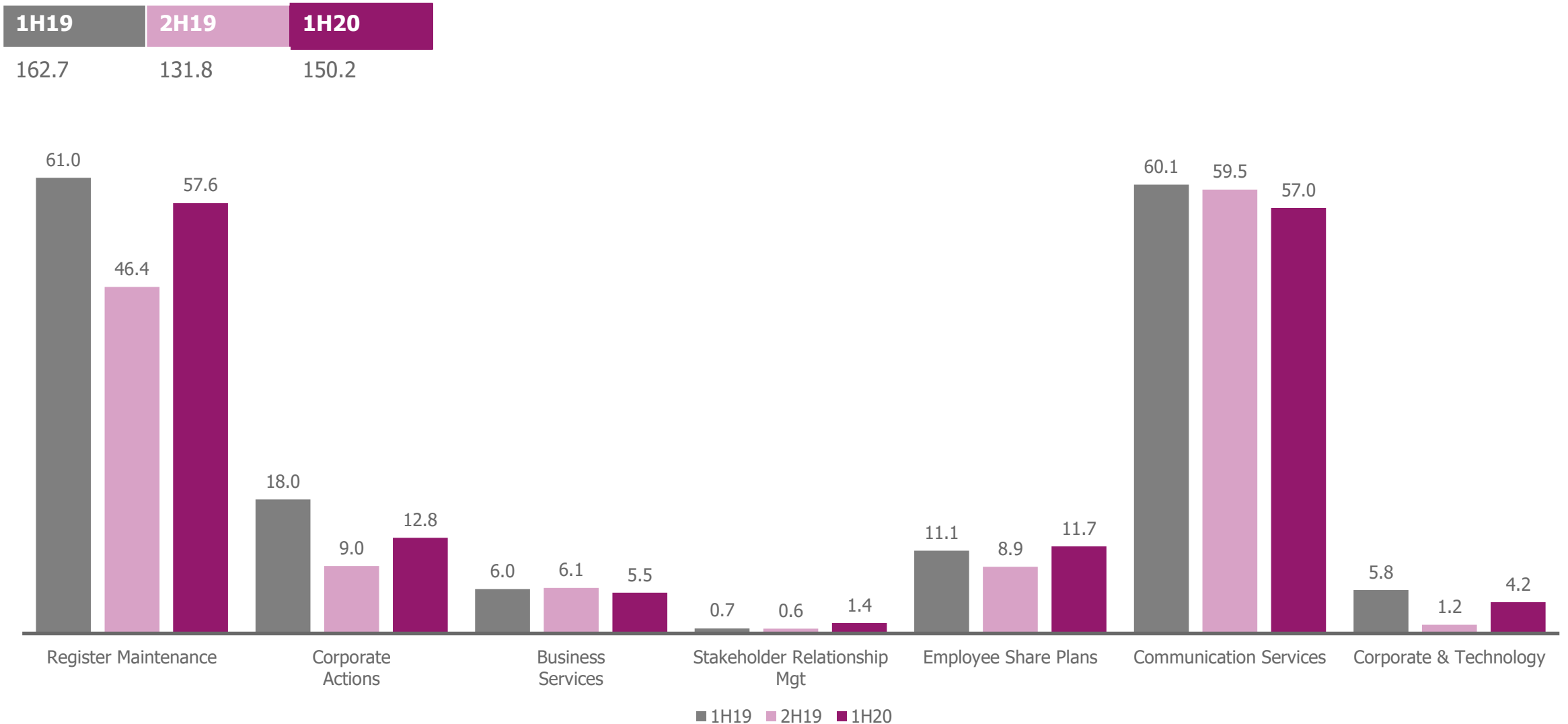
Computershare allocates out all corporate expenses to our business lines. The residual Corporate and Technology revenues reflect some third party technology revenues, rental income, interest income and other corporate related transaction income. The movement in EBITDA between 1H and 2H reflects movement in provisions.

1H20 Management revenue at actual FX rates



Australia

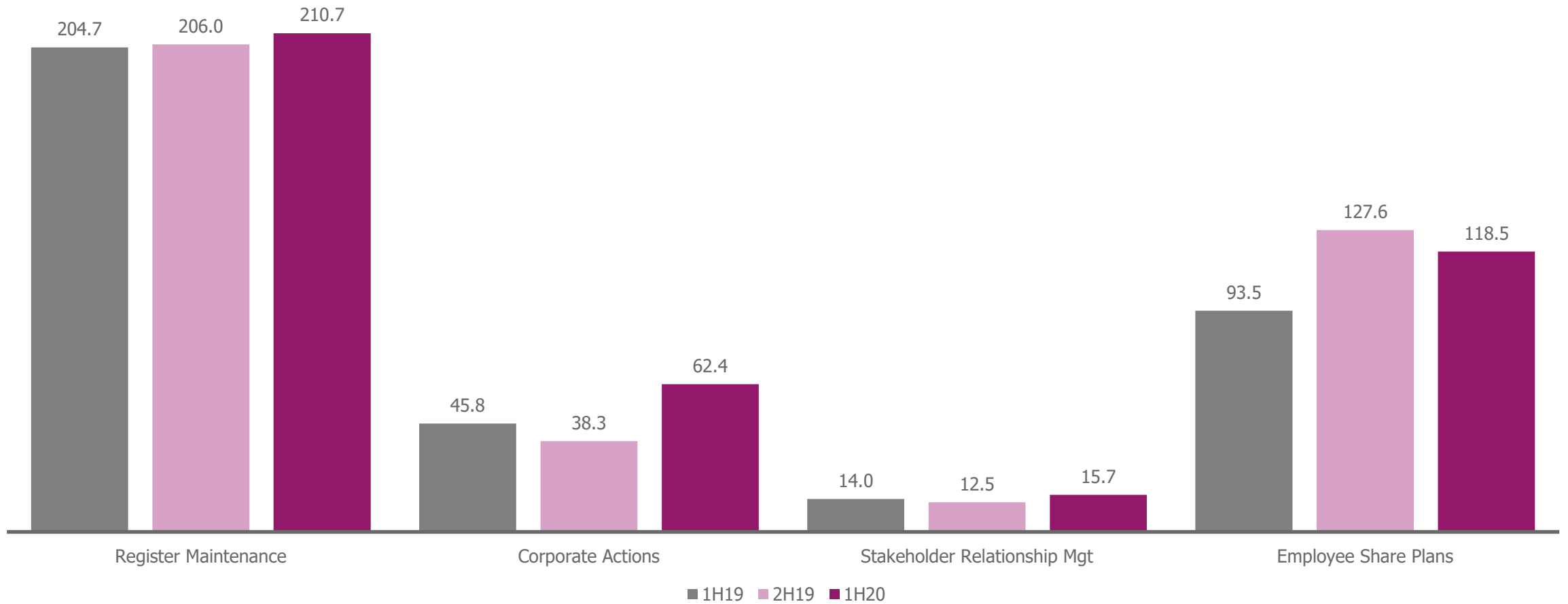
Management revenue: AUD million



Hong Kong

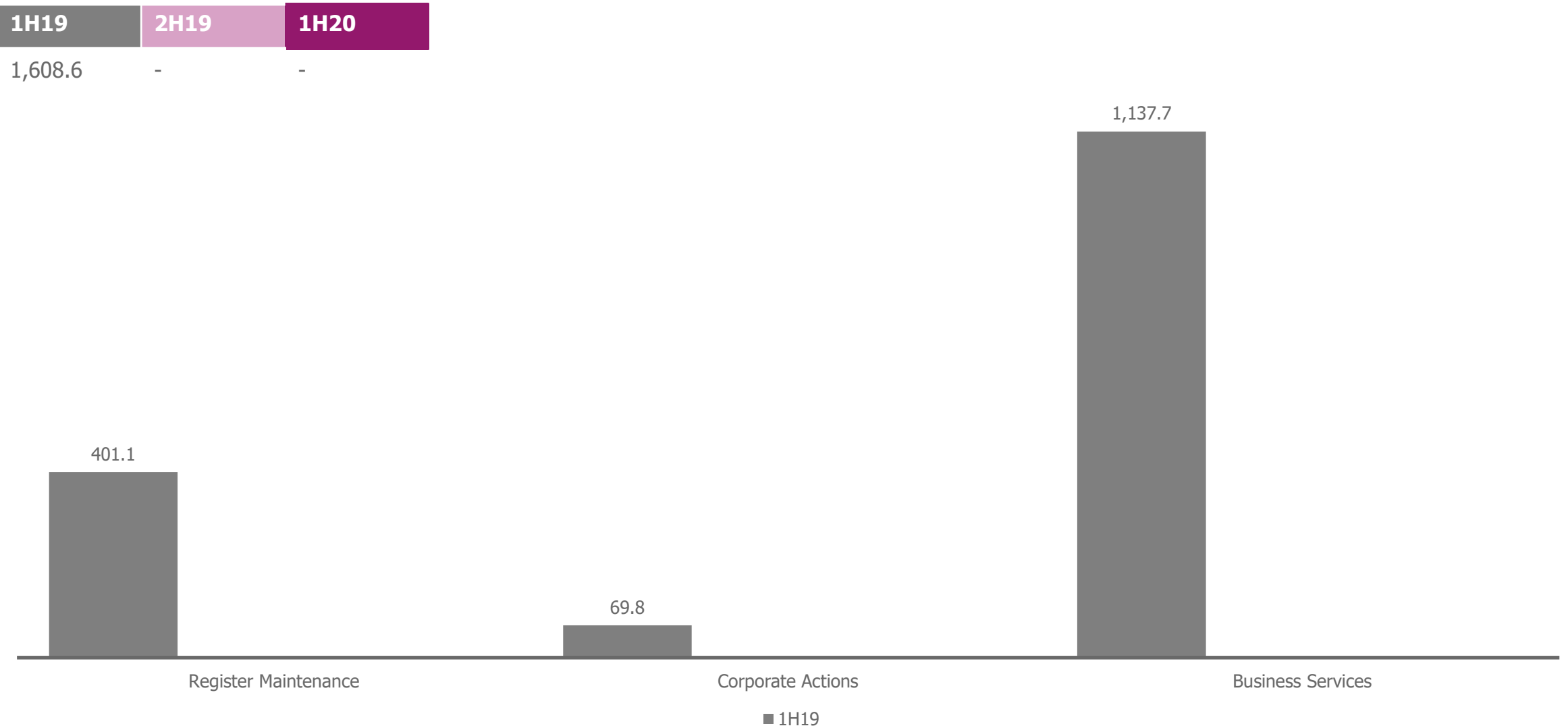
Management revenue: HKD million

1H19	2H19	1H20
357.9	384.4	407.2



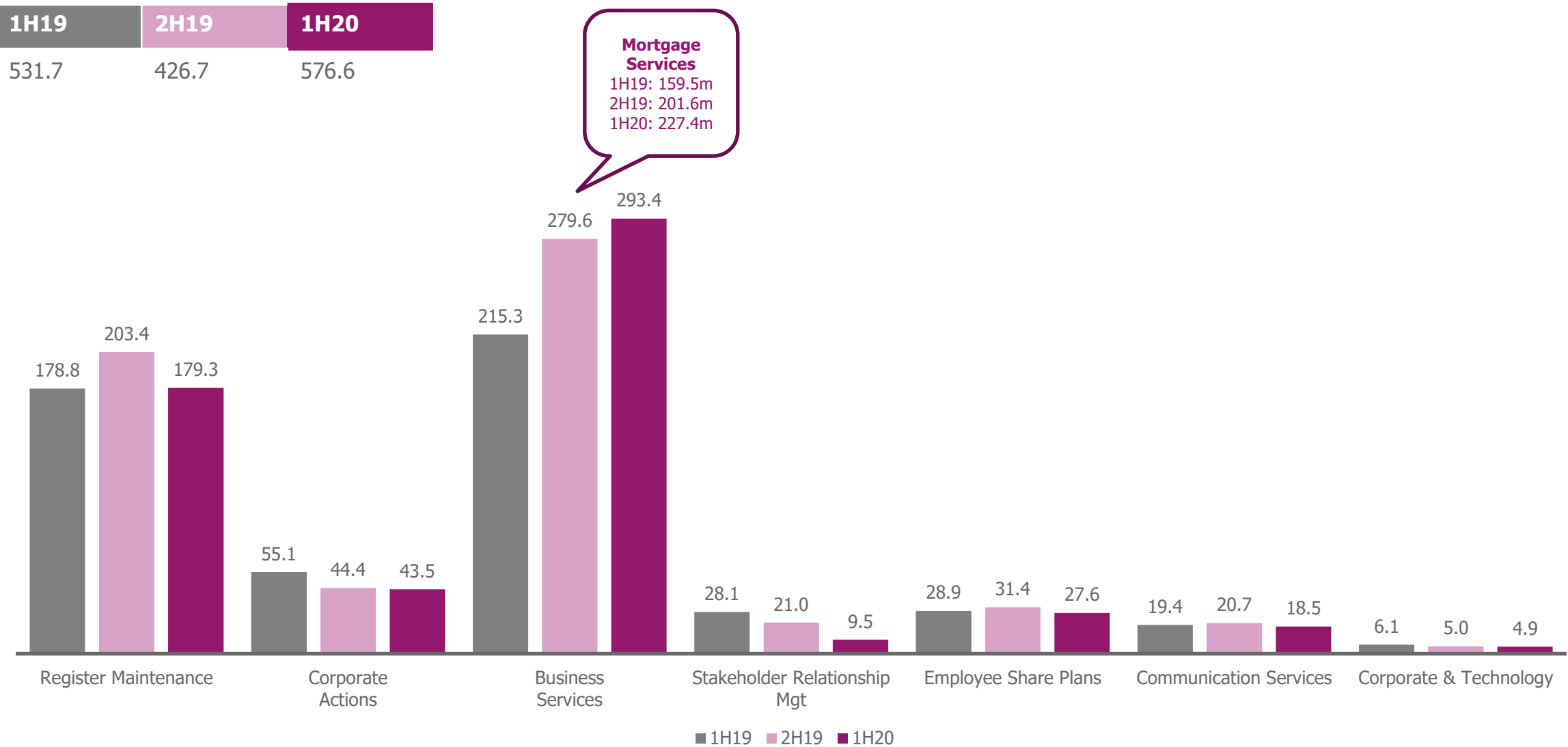
India

Management revenue: INR million



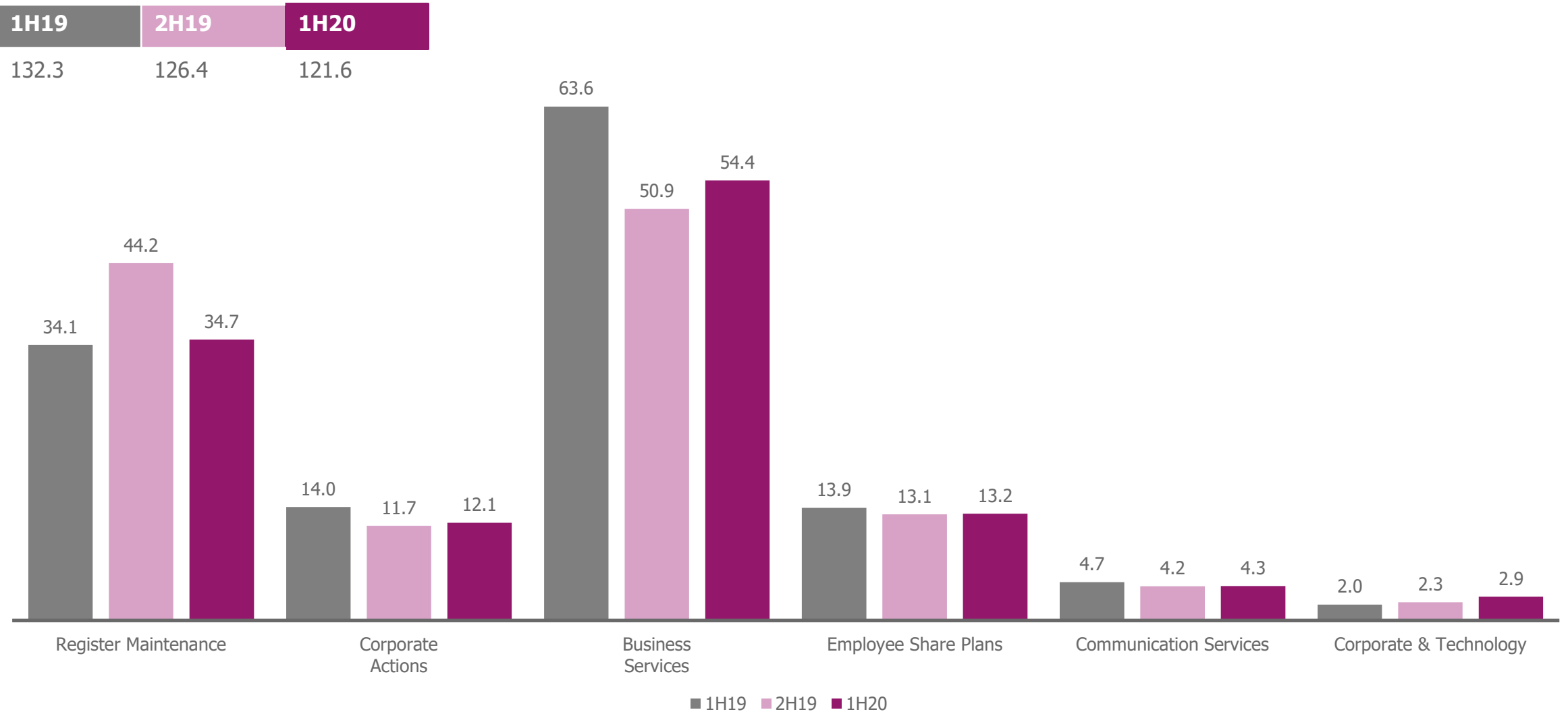
USA

Management revenue: USD million



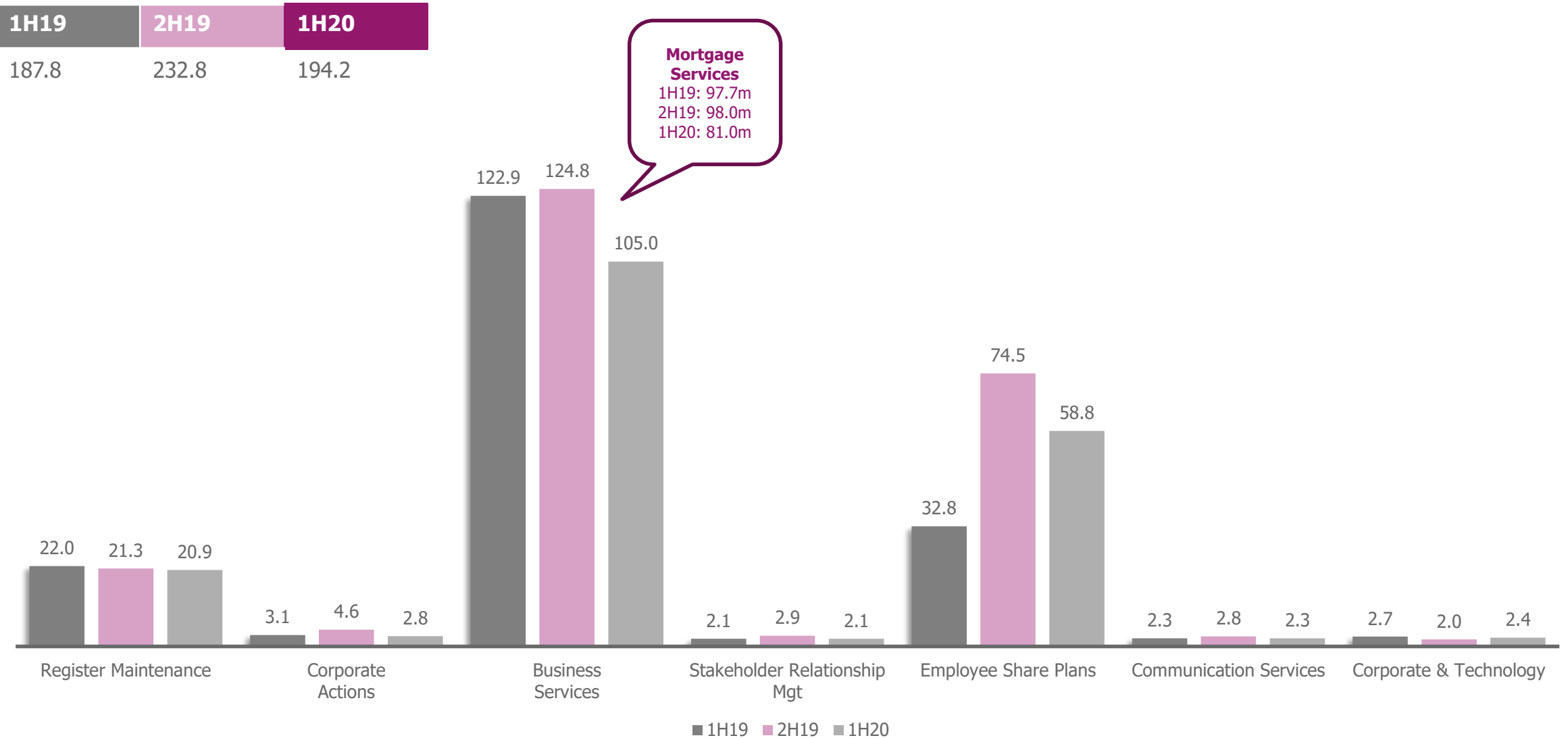
Canada

Management revenue: CAD million



UK, Channel Islands & Equatex

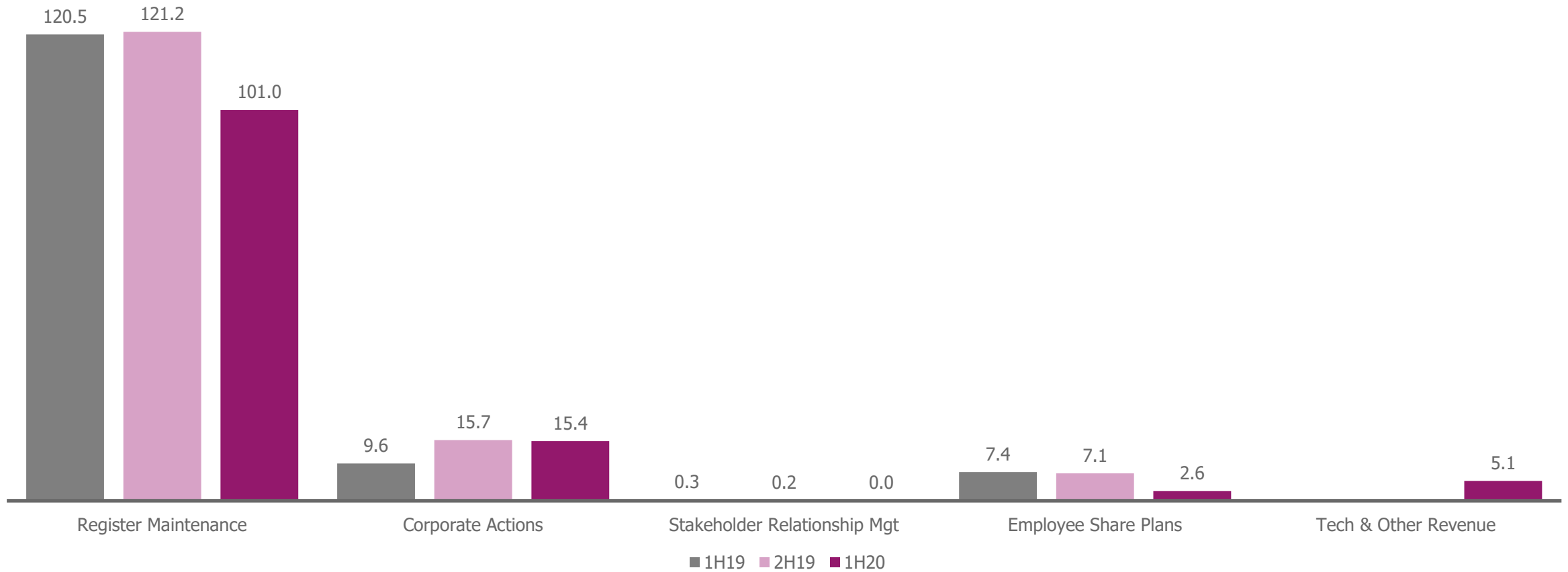
Management revenue: GBP million



South Africa

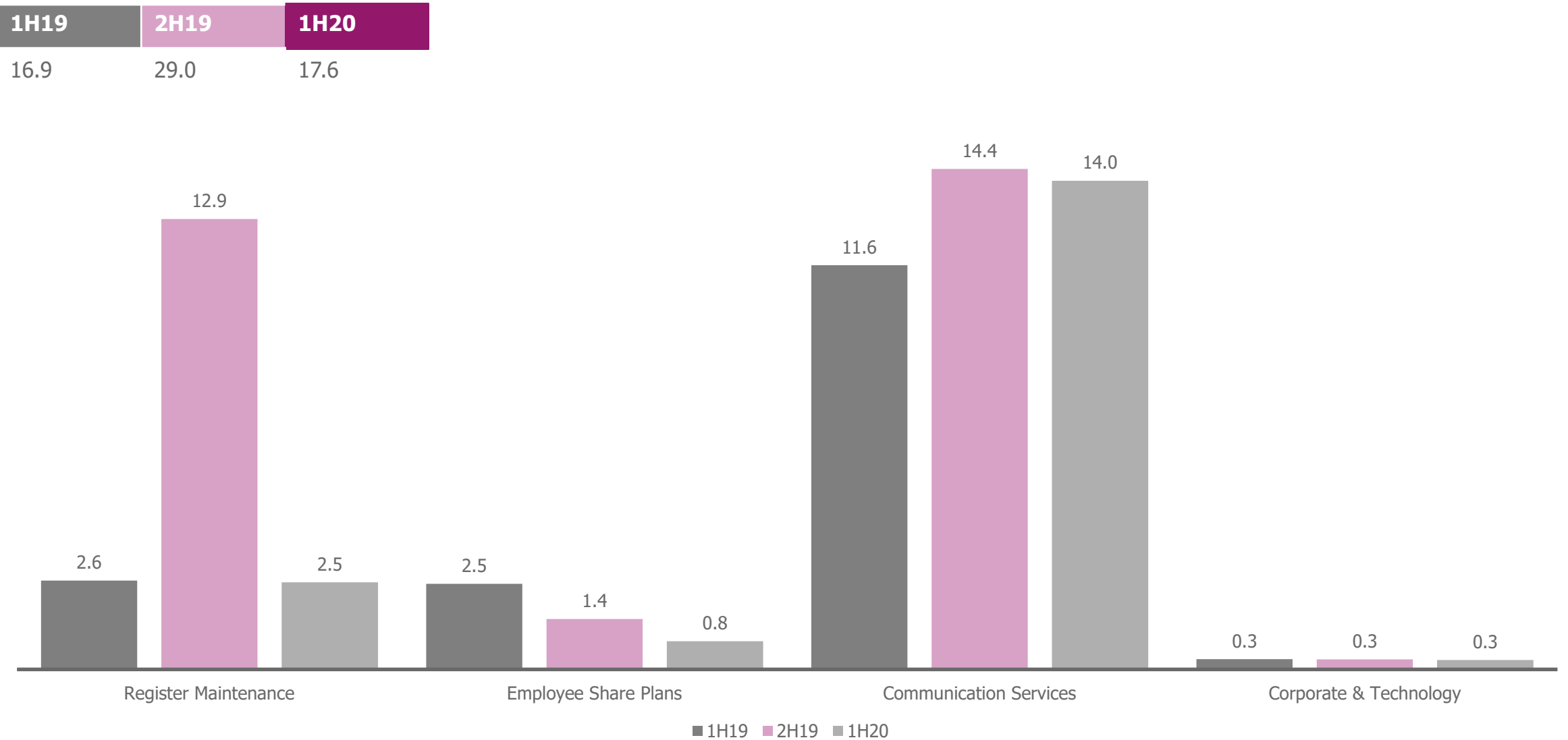
Management revenue: RAND million

1H19	2H19	1H20
137.9	144.1	124.1



Germany

Management revenue: EUR million



Exchange rates

Currency	1H20	FY19	1H19	FY18	1H18
USD	1.0000	1.0000	1.0000	1.0000	1.0000
AUD	1.4623	1.3933	1.3734	1.2890	1.2863
HKD	7.8321	7.8405	7.8371	7.8219	7.8095
NZD	1.5504	1.4874	1.4893	1.3977	1.3969
INR	70.4405	70.4260	70.6855	64.9732	64.6323
CAD	1.3203	1.3252	1.3117	1.2716	1.2709
GBP	0.7993	0.7716	0.7707	0.7427	0.7588
EUR	0.8999	0.8746	0.8645	0.8396	0.8533
RAND	14.7507	14.1190	14.0136	12.7589	13.3921
RUB	64.2928	65.5333	65.1752	58.7412	58.7208
AED	3.6729	3.6729	3.6729	3.6728	3.6729
DKK	6.7192	6.5256	6.4466	6.2495	6.3485
SEK	9.6044	9.1332	8.9924	8.3012	8.2364
CHF	0.9888	0.9937	0.9870	0.9689	0.9734

Important notice

Summary information

- This announcement contains summary information about Computershare and its activities current as at the date of this announcement.
- This announcement is for information purposes only and is not a prospectus or product disclosure statement, financial product or investment advice or a recommendation to acquire Computershare's shares or other securities. It has been prepared without taking into account the objectives, financial situation or needs of a particular investor or a potential investor. Before making an investment decision, a prospective investor should consider the appropriateness of this information having regard to his or her own objectives, financial situation and needs and seek specialist professional advice.

Financial data

- Management results are used, along with other measures, to assess operating business performance. The company believes that exclusion of certain items permits better analysis of the Group's performance on a comparative basis and provides a better measure of underlying operating performance.
- Management adjustments are made on the same basis as in prior years.
- The non-IFRS financial information contained within this document has not been reviewed or audited in accordance with Australian Auditing Standards.
- All amounts are in United States dollars, unless otherwise stated.

Past performance

- Computershare's past performance, including past share price performance and financial information given in this announcement is given for illustrative purposes only and does not give an indication or guarantee of future performance.

Future performance and forward-looking statements

- This announcement may contain forward-looking statements regarding Computershare's intent, belief or current expectations with respect to Computershare's business and operations, market conditions, results of operations and financial condition, specific provisions and risk management practices.
- When used in this announcement, the words 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'believe', 'continue', 'should', 'could', 'objectives', 'outlook', 'guidance' and similar expressions, are intended to identify forward-looking statements. Indications of, and guidance on, plans, strategies, management objectives, sales, future earnings and financial performance are also forward-looking statements.
- Forward-looking statements are provided as a general guide only and should not be relied upon as a guarantee of future performance. They involve known and unknown risks, uncertainties, contingencies, assumptions and other important factors that are outside the control of Computershare.
- Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. Computershare makes no representation or undertaking that it will update or revise such statements.

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