COMPUTERSHARE LIMITED (ASX:CPU)

FINANCIAL RESULTS
FOR THE YEAR ENDED 30 JUNE 2004

(Comparisons are for the year ended 30 June 2003)

19 August 2004

Copies of 2004 Full Year Results Presentation are available for download at: www.computershare.com

MARKET ANNOUNCEMENT

COMPUTERSHARE DELIVERS RECORD RESULT

Melbourne, 19 August 2004 – Computershare Limited (ASX: CPU) today reported growth in total revenues of 26% to $894.7 million, in earnings per share (pre goodwill) of 61% to 19.02 cents and in Net Operating Cash Flows of 79% to $136.1 million.

Headline Results

- Normalised Earnings per Share (pre-goodwill and post preference shares and Outside Equity Interests (OEI)) rose from 11.79 to 19.02 cents per share (Up 61%);
- Normalised Earnings per Share (post goodwill, preference shares and OEI), rose from 6.05 to 12.89 cents per share (Up 113%);
- Net Operating Cash Flows for the 2004 year were $136.1 million (an increase of 79% on FY 2003);
- Total revenues of $894.7 million (an increase of 26% on FY 2003);
- Normalised Earnings Before Income Tax, Depreciation and Amortisation (EBITDA normalised) up 37% to $183.4 million;
- Operating expenses were $711.1 million (inclusive of cost of sales). If cost of sales and the cost contribution of businesses acquired during the year are excluded, operating costs declined by 1% year on year.
- Days Sales Outstanding for the year ending 30 June 2004 were 57 days, down by 4 days from 30 June 2003 and;
- Capital expenditure was in line with expectations at $21.4 million.

Commentary and Explanation of the Results

The results have delivered substantial improvement across all metrics within the business including earnings per share, revenues, cash generation and other balance sheet measures.

The positive results posted for the financial year reflect a continued improvement in market conditions, particularly in the Asia Pacific region, and a significantly improved profit from North America whose contribution to the Company's EBITDA line has improved from 27% in FY 2003 to 39% in FY 2004.

CEO, Chris Morris said, "I am delighted that the prudent strategies we set in place enabled us to extract the full advantage of the upswing in the Asia/Pacific region. This combined with a significant improvement in profitability in North America, has enabled us to deliver value to our shareholders through the increase in earnings per share." He added, "The hard work put in by our integration team and staff in North America, is already showing significant benefits. We are confident that there are still more synergies to come during FY 2005. Finally I would like to acknowledge the efforts of all staff throughout the year whose commitment to enhancing our service quality across the globe has been exemplary."

Foreign Exchange Impact

If the Australian dollar had remained at FY03 levels, revenue would have been reported to be $978 million, a constant dollar increase over FY03 of 38% and Earnings per Share would have been 1 cent higher at 20 cents per share.

Cash Flows

The Company is pleased to report FY 2004 cash flows from operations of $136.1 million, an improvement of $59.9 million (79%) compared to FY 2003.

Capital expenditure remained under control at $21.4 million, 20% below depreciation for FY 2004.

Working capital also continues to improve from 61 receivable days in FY 2003 to 57 days in the 2004 financial year.

Dividend

The company is raising its ordinary, final dividend to 5 cents per share full franked, payable on 24 September 2004, making total dividends for the year of 8 cents per share fully franked (60% increase on FY 2003).

Conversion of Reset Preference Shares

Changes to accounting standards that will effectively treat reset preference shares as debt rather than equity, together with the relatively high cost of capital associated with the preference shares, has led to the decision to convert all reset preference shares to ordinary shares under the terms and conditions of their issue. Further details concerning the process and the price for conversion will be made available in a separate announcement.

Ordinary Shares – Buy Back

On 26 May 2004 the Company announced an on market buy back of up to 27,500,000 ordinary shares with a closing date of 17 December 2004. The buy back commenced on the 10th June 2004.

As at 16 August 2004, the Company had bought 15,970,000 million shares for a total consideration of approximately $50.7 million at an average of $3.18 per share.

Reset Preference Shares - Buy-Back

On 19 December 2003, the Company announced its intention to buy back a maximum of 17% of its issued reset preference shares (250,000 shares). On 19 March 2004, the Company announced changes to this share buy back, with an intention to buy back a further 500,000 shares (total of 750,000 shares).

The buy-back commenced on 5 January 2004. As at 16 August 2004, the Company had purchased 315,193 of its reset preference shares for total consideration of approximately $32.7 million ($103.83 average price per share).

Balance Sheet Overview

The Company's financial position remains sound with total assets of $1,187.1 million, financed by shareholders' funds totalling $604.9 million.

Computershare's total current funding facility is $360.0 million, with net borrowings increasing to $221.6 million at 30 June 2004 (from $77.7 million at 30 June 2003), primarily to fund the purchase of Georgeson Shareholder Communications Inc.

The Company's gearing ratio (Net Debt to Equity) increased from 13.2% at 30 June 2003 to 36.6% at 30 June 2004.

Operating Costs – Overview

Total expenses (excluding the impact of acquisitions) increased by 1.6% against a revenue rise of 6%. Excluding cost of sales and acquisitions, operating costs declined by 1%. Cost savings of $20.6 million were realised from the previous years restructuring efforts.

Total technology spending for the twelve months was $92.1 million, in line with last year. This amount includes $41.1 million in research and development (R&D) expenditure. In line with the Company's policy, even though the R&D spending was of a capital nature, all technology costs have been expensed in the current period. The savings in external bureau fees have been offset by additional technology costs from newly acquired businesses during the year.

Distribution of Revenue/ EBITDA (comparisons to corresponding period)

Regionally, revenues and EBITDA results were apportioned across the Company as follows:

	Revenue		EBITDA	
	FY 2004	**FY 2003**	**FY 2004**	**FY 2003**
North America	40%	37%	39%	27%
Asia/Pacific	32%	30%	35%	40%
EMEA	28%	33%	26%	33%

Outlook for Financial Year 2005

The Company has established targets for the business that includes annual revenue growth of greater than 10% and Earnings per Share growth of greater than 20%.

Guidance for FY 2005 can be established within the context of the above metrics.

About Computershare Limited (CPU)

Computershare (ASX: CPU) is the world's leading financial services and technology provider to the global securities industry in its provision of services and solutions to listed companies, investors, employees, exchanges and other financial institutions.

With a unique range of integrated services, Computershare provides specialised records management for company share registers and employee share and stock option plans, document design and communication, strategic investor relations and market intelligence, and a variety of sophisticated trading technologies for financial markets.

Computershare is the largest and only provider of global shareholder and employee management services - administering more than 80 million shareholder accounts for over 13,000 corporations across twelve countries on five continents. Founded in Australia in 1978, Computershare today employs almost 8,000 people worldwide. For more information, visit http://www.computershare.com

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MARKET ANNOUNCEMENT

FINANCIAL SUMMARY

The result for the financial year ended 30 June 2004

	12 mths to June 2004 $ million	12 mths to June 2003 $ million
Revenue (excl. proceeds on sale of UK premises)	894.7	719.8
EBITDA (pre non-recurring items)	183.4	133.9
Non-recurring items	(0.7)	35.1
EBITDA (post non-recurring items)	184.1	98.8
Profit before tax	110.7	29.5
Net profit attributable to members of the parent	80.0	16.3
Dividend per share (cents)	8.0	5.0
EPS (normalised) – Basic (cents)	12.9	6.1
EPS (normalised) – Basic pre-goodwill (cents)	19.0	11.8

(Continued overleaf)

Revenue Analysis

	FY 2004 $ million	FY 2003 $ million
Registry Maintenance	459.2	459.2
Corporate Actions	143.8	93.3
Investor Relations Services	76.0	14.4
Employee Share Plans	100.9	80.2
Document Services	51.0	39.1
Mutual Funds	9.8	-
Technology & Other Revenue	53.9	33.6
Total	**894.7**	**719.8**

Figures include margin income & recoverable income

The revenue analysis reflects the diverse income streams of the Computershare business. Maintenance revenue for our core registry was consistent with the previous corresponding period. Corporate Actions revenue increased, reflecting the continued improvements in market conditions, particularly in the Asia Pacific region. Mutual Funds is a new revenue stream following the acquisition of Georgeson Shareholder Communications and Karvy Consultants. The growth in Investor Relations Services, Plan Management and Document Services revenues reflect the continued growth in these businesses together with the contributions of businesses acquired during the year. In addition to the Document Services revenue, there is approximately $75 million in inter-segment revenues that are included in the revenue of other businesses. Inter-segment revenues for Document Services have been recorded against the business with the client-facing relationship. Included in the revenue results are $56.7 million of margin income (FY03:$63.7 million) and $124.6 million of recoverable income (FY03:$107.5 million). Margin income declined due to lower interest rates and unfavourable foreign currency exchange rates.

(Continued overleaf)

Operating Cost Analysis

	FY 2004 $ million	FY 2003 $ million
Cost of Sales	159.9	115.5
Personnel	314.0	270.0
Occupancy	45.9	36.8
Other Direct	71.2	66.5
Technology Services	90.1	82.5
Corporate	30.0	12.6
Total	**711.1**	**583.9**

Operating expenses includes the operating costs of businesses acquired during FY 2004. Excluding these costs and cost of sales, operating expenses show an underlying decline of 1% reflecting the cost savings from previous period's restructuring efforts and a continued focus on cost control.

TAXATION

The Company's headline effective tax rate for the year ended 30 June 2004 is 24.4% (FY 2003: 41.8%).

The normalised headline effective tax rate adjusted for one off amounts and non-recurring items, for the period ending 30 June 2004 is 29.9% (FY 2003: 20.7%).

CASH FLOW / FINANCING

Net cash flow from operations was $136.1 million, reflecting profit generation by operating businesses and improved working capital management.

Debtor days outstanding reduced to 57 days at June 2004 from 61 days at 30 June 2003.

Computershare's total funding facility is $360 million, of which a total of $300 million was drawn at 30 June 2004.