

Earnings ahead of expectations with margin income beginning to rise

Stuart Irving, CEO, said, "Computershare has delivered full year management earnings ahead of guidance. Growth in client fee income has offset weaker transaction revenues. With strong cost controls, we were able to manage the impact of inflation as we benefited from rising interest rates.

Management Earnings Per Share (EPS) increased by 10.6% compared to the prior corresponding period. The Board has declared a final dividend of 30 cents per share representing a 30% increase on last year's final dividend.

The investments in our high-quality global businesses are delivering growth with Management Revenue up over 12%, including Computershare Corporate Trust (CCT). Issuer Services and Employee Share Plans continue to win market share. Transaction-based revenues in Corporate Actions and Employee Share Plans trading were impacted by market volatility in the second half, and the expected recoveries in Bankruptcy and Class Actions have yet to come through. Mortgage Services in the US delivered a disappointing result, although the outlook is more positive.


I am pleased to report our acquisition of CCT in November 2021 continues to exceed expectations. We are making good progress integrating the business and delivering the expected synergy benefits.

Computershare's free cash flow and balance sheet are stand outs in this result. We generated \$322.6m of free cash flow with 60% cash conversion. Debt leverage has improved to 1.64X, below our target range, which was sooner than expected following the CCT acquisition. This flexibility enables us to continue to strengthen and scale our global growth businesses, fund the integration plan for CCT and reward shareholders.

We have a confident outlook. Management EPS is expected to increase by around 55% in FY23. While inflationary pressures are impacting our operating businesses, and costs are expected to rise in FY23, margin income, estimated to be around \$520m this year is driving strong earnings growth. We will continue to invest in our businesses and simplify our structure to improve the quality of our earnings and deliver long term returns for shareholders."

Highlights

Management Revenue

 **\$2.6bn**
Up 12.2%


Management EBIT

 **\$530.9m**
Up 19.0%

ROIC

 **12.2%**
Up 130bps

Margin Income (MI)

 **\$186.5m**
Up 74.3%

Management EPS

58.03 cps
 Legacy Up 2.1%¹
 Total Group Up 10.6%²

Final Dividend Per Share (AUD)

 **30.0 cps³**
Up 30%⁴

1 The Legacy business for FY22 is defined as Computershare excluding the Computershare Corporate Trust (CCT) contribution. The +2.1% is the change between FY22 Legacy Management EPS of 53.57 cps and FY21 Management EPS of 52.46 cps. This growth is calculated on a pre-rights issue basis. The weighted average number of shares (WANOS) for this calculation was 540,879,593.

2 The +10.6% is the change between FY22 Management EPS (including CCT) of 58.03 cps assuming a WANOS of 603,729,336 vs FY21 Management EPS of 52.46 cps assuming a WANOS of 540,879,593.

3 Unfranked;

4 Compared to FY21 final dividend per share of 23.0 cps. Notes: Reconciliation of statutory to management results can be found on slide 52 of our Results Presentation.

Business performance

Issuer Services

Momentum in Registry and Governance Services, market-based revenues down.

Mgmt EBIT

\$264.4m

Down 4.3%

Revenue

\$983.7m

Down 1.6%

Employee Share Plans

Market share gains and revenue growth despite market volatility in 2H.

Mgmt EBIT

\$75.5

Up 2.9%

Revenue

\$330.3m

Up 2.9%

Mortgage Services

Disappointing US result. UK back to profit.

Mgmt EBIT

\$-6.3m

N/M

Revenue

\$541.8m

Down 7.0%

Corporate Trust US (CCT)

Results exceeding expectations, integration underway, synergies being delivered.

Mgmt EBIT

\$86.1m

Revenue

\$336.0m

Margin Income and Free Cash Flow

Margin Income Revenues

\$186.5m

Up 74.3%

Average Balances for 2H

\$39.3bn

Free Cash Flow

\$322.6m

Up 24.0%

Net Debt to EBITDA

1.64x

Final Dividend

The Board has declared an increased final dividend of AU 30 cents per share unfranked, an increase of 30% on the FY21 Final Dividend. The record date is 17th of August 2022. The payment date is the 12th of September 2022.

FOR FURTHER INFORMATION

— Michael Brown - Investor Relations

Mobile: + 61 400 248 080

Email: Michael.Brown@computershare.com.au

— Please refer to the FY22 Results Presentation for guidance assumptions, detailed financial data and the important notice on slide 64 regarding forward looking statements.

The non-IFRS financial information contained within this document has not been reviewed or audited in accordance with Australian Auditing Standards.

This announcement was authorised to be given to the ASX by the Board.

Copies of the FY22 Results Presentation are available for download at
<https://www.computershare.com/corporate/investor-relations/financial-information/results>