



Financial Technology Sector

Quoted Company Analysis

First Quarter 2010

Sector Valuation Metrics

Company	Share Price Local	Market	Net	Enterprise	Revenue	EV/Revenue		EV/Revs	EV/EBITDA		Revenue Growth ⁽⁴⁾		EBITDA Margin		% Revs
	12-Mar-10	Cap (\$m) ⁽¹⁾	Debt (\$m) ⁽²⁾	Value (\$m)	CY10E (\$m)	CY2009	CY2010	Recurring ⁽³⁾	CY2009	CY2010	FY09/10	FY10/11	CY2009	CY2010	Recurring ⁽⁵⁾
Selected Large Cap															
Thomson Reuters	36.46	30,371	6,383	36,754	12,943	2.8 x	2.8 x	3.3 x	11.1 x	10.7 x	-2.3%	3.3%	25.5%	26.5%	85%
Fiserv	50.42	7,800	3,278	11,078	4,177	2.7 x	2.7 x	na	8.5 x	8.1 x	2.5%	3.8%	31.9%	32.6%	na
Computershare	12.19	6,252	770	7,022	1,676	4.5 x	4.2 x	6.4 x	13.8 x	12.4 x	6.9%	5.6%	32.7%	33.8%	70%
FactSet	71.18	3,481	(218)	3,263	644	5.2 x	5.1 x	5.2 x	12.6 x	12.6 x	1.3%	6.7%	41.4%	40.3%	100%
Interactive Data	31.87	3,060	(250)	2,810	820	3.7 x	3.4 x	na	10.4 x	10.2 x	5.5%	6.7%	35.7%	33.5%	na
DST Systems	41.40	2,029	1,115	3,144	1,591	2.0 x	2.0 x	na	7.8 x	7.2 x	-0.3%	0.3%	25.4%	27.4%	na
Solera	37.07	2,584	496	3,080	655	5.2 x	4.7 x	na	13.3 x	11.5 x	5.0%	4.3%	38.9%	40.8%	na
Morningstar	49.33	2,467	(250)	2,217	531	4.6 x	4.2 x	na	13.2 x	10.6 x	0.4%	7.9%	35.1%	39.5%	na
Misys	2.48	2,102	190	2,293	1,299	1.9 x	1.8 x	3.1 x	9.7 x	8.1 x	12.9%	8.2%	20.1%	21.9%	62%
Jack Henry & Associates	23.83	2,026	(26)	2,000	860	2.5 x	2.3 x	3.3 x	8.5 x	7.5 x	1.2%	8.2%	30.0%	31.0%	77%
Temenos	28.60	1,943	133	2,076	458	5.6 x	4.5 x	17.5 x	19.4 x	15.2 x	6.5%	10.5%	28.9%	29.9%	32%
FICO	25.47	1,223	199	1,422	627	2.3 x	2.3 x	3.0 x	9.1 x	8.7 x	0.6%	4.2%	25.0%	26.1%	75%
Average						3.6 x	3.3 x		11.4 x	10.2 x	3.4%	5.8%	30.9%	32.0%	71.6%
Selected Mid Cap															
Advent Software	44.72	1,207	(118)	1,089	277	4.2 x	3.9 x	4.9 x	16.0 x	14.9 x	20.4%	11.2%	26.2%	26.4%	86%
IRESS Market Technology	8.08	927	(67)	860	167	5.5 x	5.2 x	7.0 x	12.5 x	11.4 x	6.1%	10.2%	43.9%	45.2%	79%
Ebix	17.23	620	31	651	130	6.6 x	5.0 x	8.3 x	14.5 x	10.9 x	15.0%	13.1%	45.9%	46.2%	80%
SimCorp	1045.00	875	(63)	812	271	3.3 x	3.0 x	8.4 x	13.4 x	11.8 x	9.4%	12.7%	24.4%	25.4%	39%
Fidessa	14.20	784	(70)	713	413	1.9 x	1.7 x	2.4 x	9.4 x	8.9 x	11.9%	13.9%	20.5%	19.5%	81%
Investment Technology Group	17.80	783	(290)	493	627	0.8 x	0.8 x	na	4.1 x	3.8 x	-0.9%	7.0%	18.9%	20.7%	na
ACI Worldwide	21.10	722	(51)	671	423	1.7 x	1.6 x	2.5 x	8.2 x	7.8 x	4.2%	5.7%	20.2%	20.3%	67%
Bottomline Technologies	17.29	448	(55)	393	165	2.7 x	2.4 x	4.2 x	11.7 x	11.1 x	13.0%	10.9%	22.9%	21.6%	64%
Average						3.3 x	2.9 x		11.2 x	10.1 x	9.9%	10.6%	27.9%	28.1%	70.8%
Selected Small Cap															
Polaris Software	157.40	341	(112)	229	319	0.8 x	0.7 x	na	5.0 x	4.4 x	-2.2%	10.6%	15.5%	16.4%	na
ORC Software	162.50	352	(45)	307	103	3.1 x	3.0 x	3.2 x	9.5 x	8.4 x	2.8%	10.3%	32.5%	35.9%	97%
S1 Corporation	6.03	316	(46)	270	249	1.1 x	1.1 x	na	6.0 x	5.9 x	4.2%	3.2%	18.8%	18.5%	na
Fundtech	13.58	217	(44)	173	135	1.5 x	1.3 x	2.7 x	11.3 x	9.6 x	14.3%	9.9%	13.0%	13.4%	54%
Linedata Services	8.88	134	17	152	209	0.8 x	0.7 x	1.1 x	6.0 x	4.9 x	5.6%	5.3%	12.7%	14.7%	67%
vwd	3.30	117	23	140	110	1.3 x	1.3 x	1.7 x	11.2 x	11.5 x	1.3%	5.0%	11.5%	11.1%	75%
StatPro	1.23	116	14	129	49	2.7 x	2.6 x	2.9 x	10.2 x	9.3 x	2.8%	5.8%	26.6%	28.3%	93%
Norkom	1.47	187	(44)	143	79	2.1 x	1.8 x	16.1 x	11.7 x	10.2 x	4.4%	20.2%	17.9%	17.7%	13%
COR&FJA	1.78	103	4	106	172	0.6 x	0.6 x	na	8.2 x	8.2 x	4.2%	4.0%	7.8%	7.5%	na
First Derivatives	2.75	58	29	87	37	2.8 x	2.4 x	na	8.2 x	7.2 x	4.9%	6.5%	33.8%	33.0%	na
Microgen	0.87	116	(33)	83	49	1.9 x	1.7 x	2.9 x	8.0 x	7.4 x	11.2%	11.6%	23.4%	22.9%	66%
Patsystems	0.24	66	(14)	53	36	1.6 x	1.4 x	1.9 x	6.3 x	6.4 x	8.6%	6.9%	24.9%	22.5%	82%
FFastFill	0.09	55	(4)	51	25	2.3 x	2.0 x	3.1 x	12.6 x	9.0 x	3.5%	14.8%	18.1%	22.7%	73%
Brady	0.66	29	(9)	20	13	1.6 x	1.5 x	4.6 x	8.3 x	7.0 x	4.9%	11.6%	19.5%	22.1%	35%
Average						1.7 x	1.6 x		8.8 x	7.8 x	5.0%	9.0%	19.7%	20.5%	65.5%

(1) Fully diluted basis - treasury method

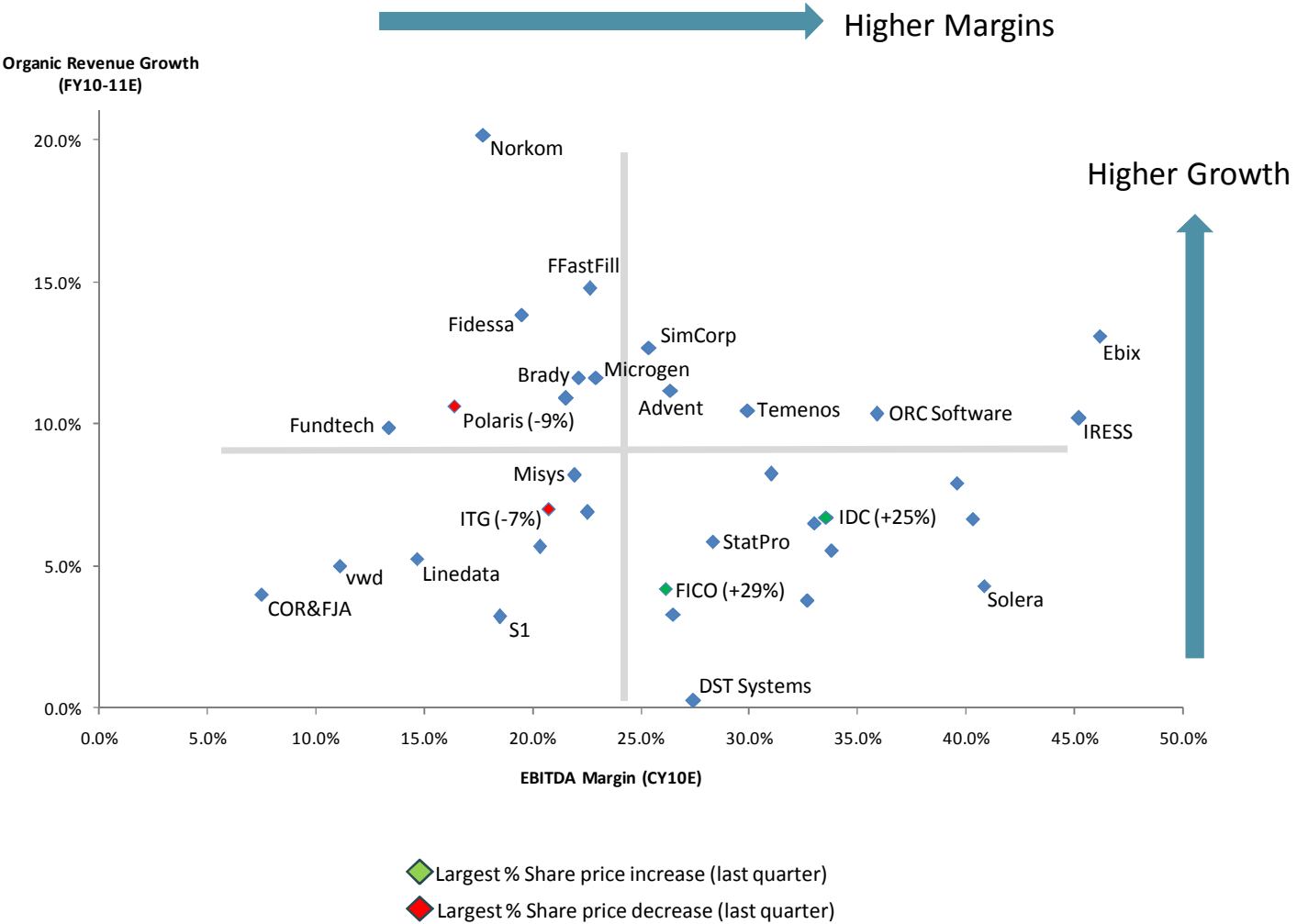
(2) Net financial debt plus pension liabilities plus minority interests

(3) Estimated recurring revenues (maintenance, subscription etc)

(4) Organic growth - excludes acquisitions, where sufficient information is available

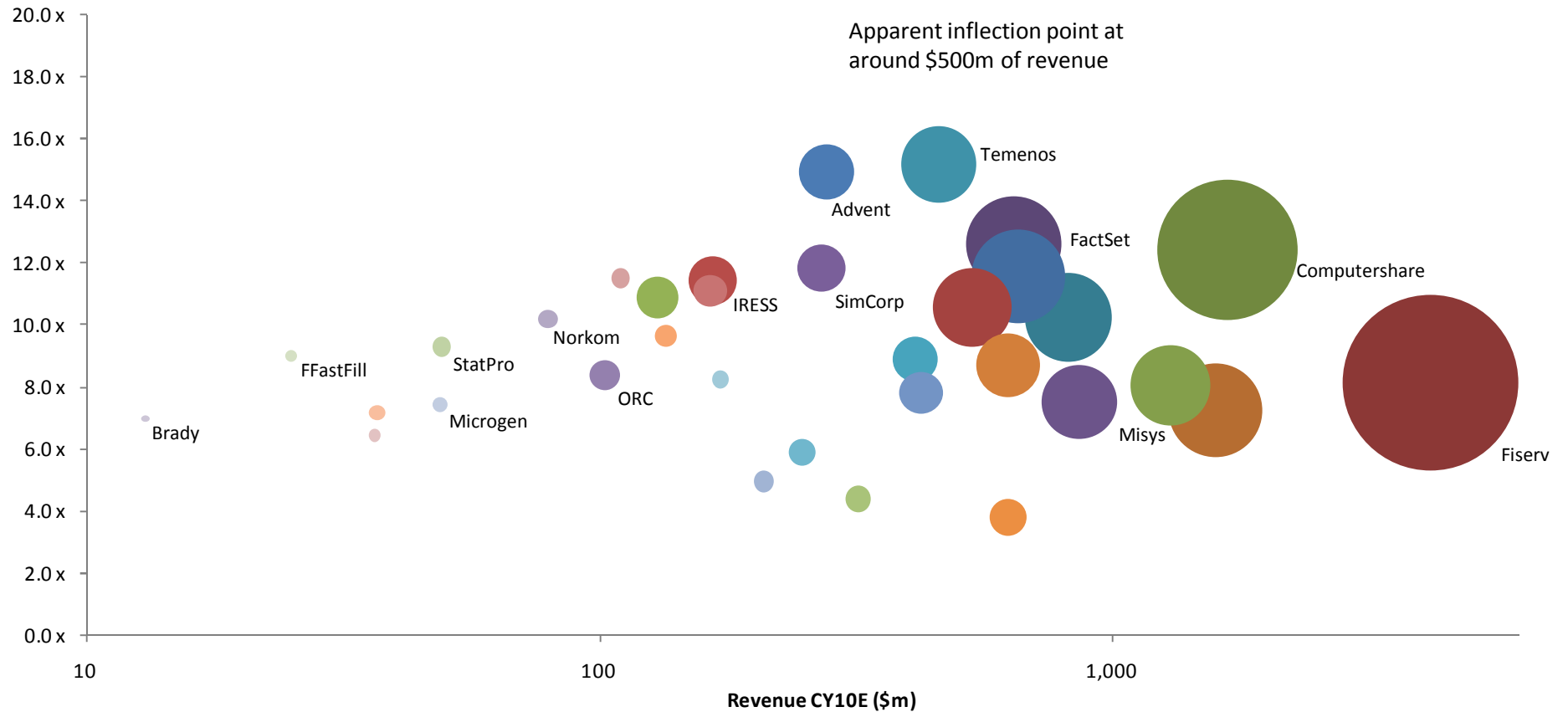
(5) Last reported period

Performance Quadrants: Organic Revenue Growth & Operating Margin



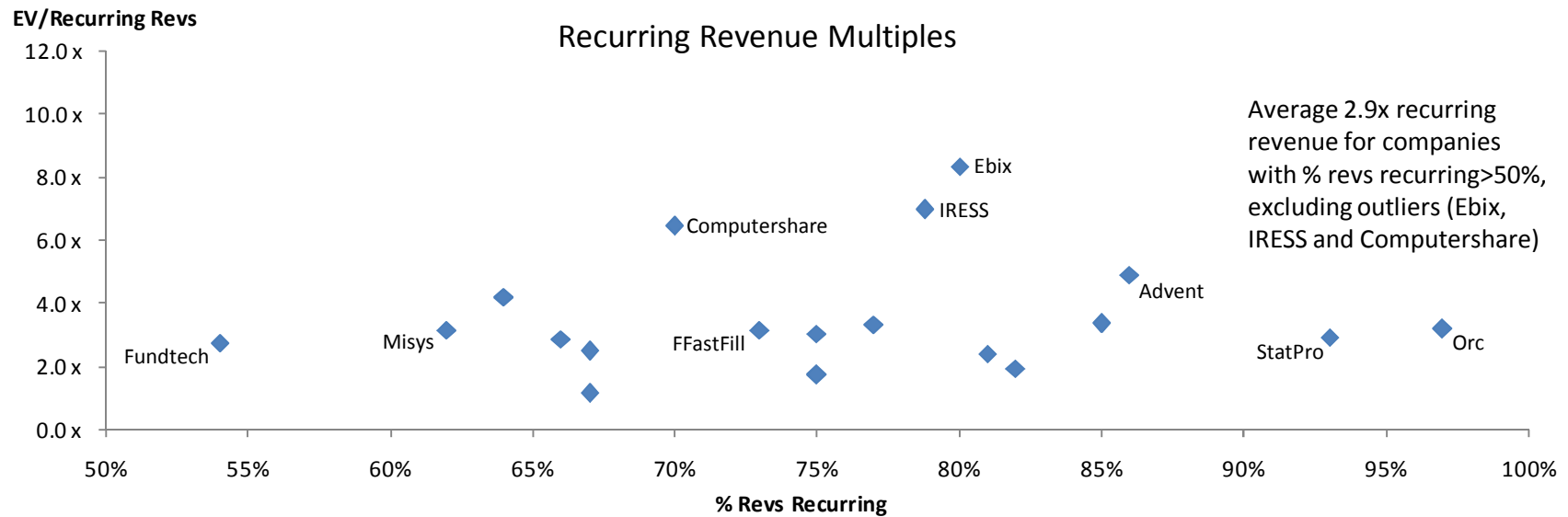
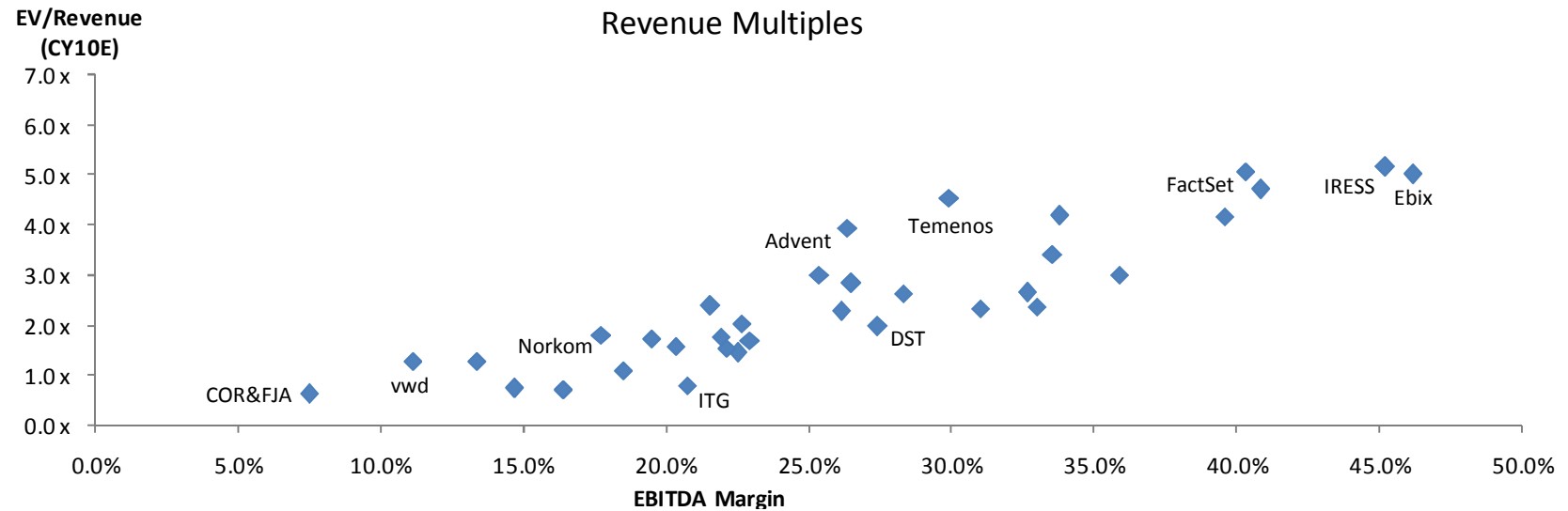
Scale as a Value Driver

EV/EBITDA (CY10E)

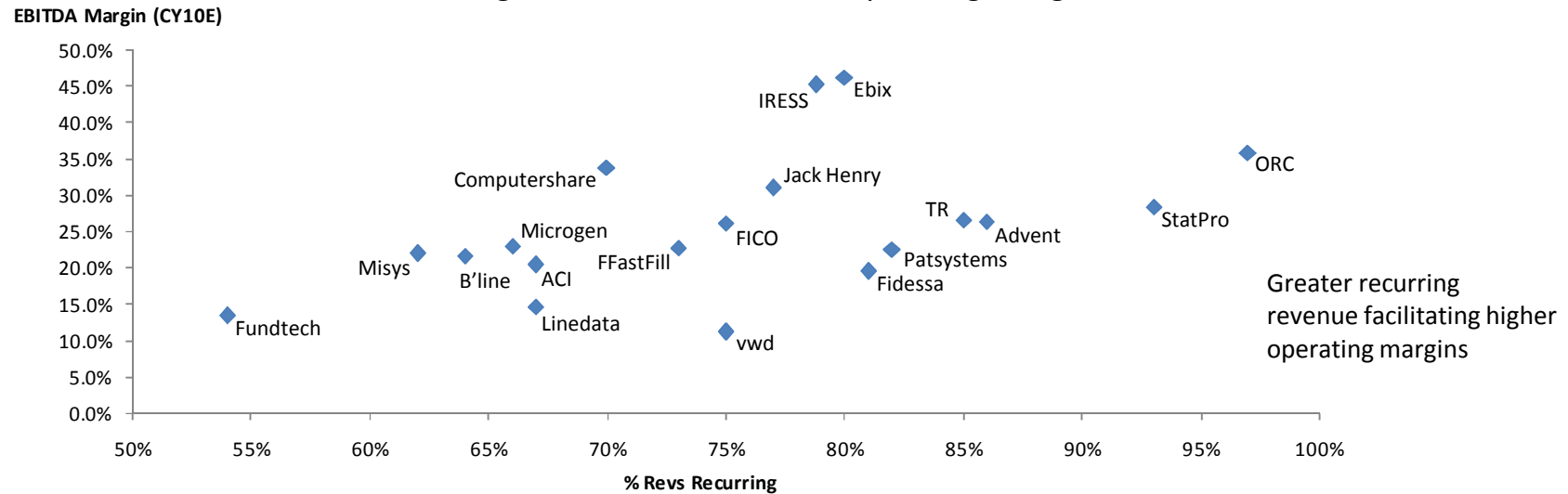


Note: Bubble size depicts enterprise value

Operating Efficiency and Recurring Revenue as Value Drivers

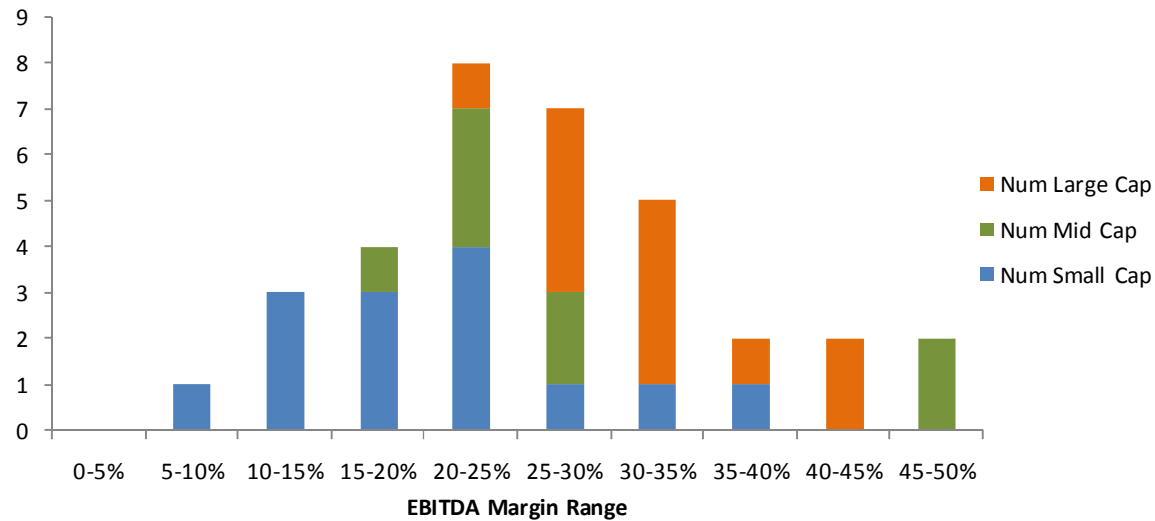


Recurring Revenue as a Driver of Operating Margins



Number of Companies

EBITDA Margin Range Distribution



Goldenhill Technology Advisors LLP
42 Brook Street
London
W1K 5DB
United Kingdom

Goldenhill Technology Advisors LLC
4697 Bancroft Street
San Diego, California
92116
United States

www.gtallp.com

© Copyright 2010 Goldenhill Technology Advisors LLP

This communication is provided for informational purposes only, and should not be regarded as an offer or solicitation to buy or sell any financial instrument.

Distribution without the express consent of the authors, Goldenhill Technology Advisors, is strictly prohibited.

Goldenhill Technology Advisors accepts no liability whatsoever arising directly or indirectly from the use of this document, and offers no warranty in relation to the accuracy or completeness of the information therein.