Full Year Results Presentation
Year Ending September 2009

Adrian Di Marco
Executive Chairman

TechnologyOne Overview

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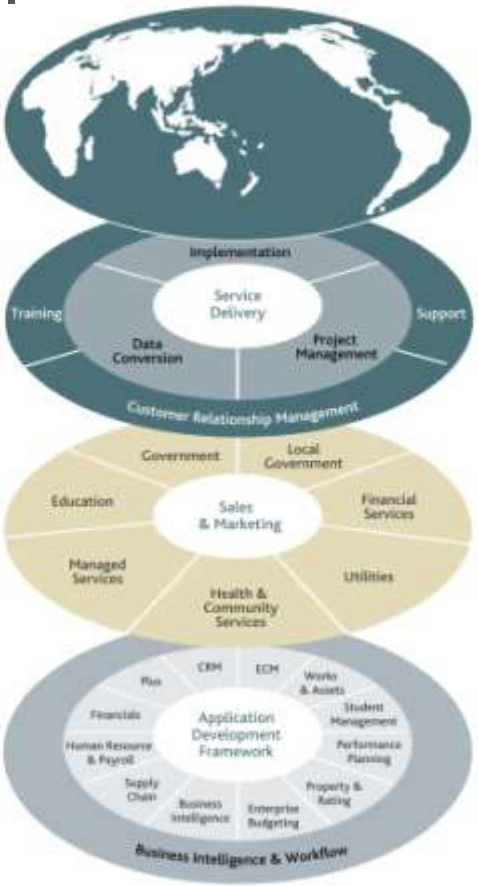
TechnologyOne develops, markets, sells, implements and supports a new generation enterprise solution specifically targeted at seven vertical markets:

- Local Government
- Government (State, Central & Federal)
- Education
- Financial Services
- Health, Community Services and Not for Profit
- Utilities
- Managed Services
  - Media/Entertainment
  - Property and Construction
  - Mining and Exploration



The Power of One

TechnologyOne Overview

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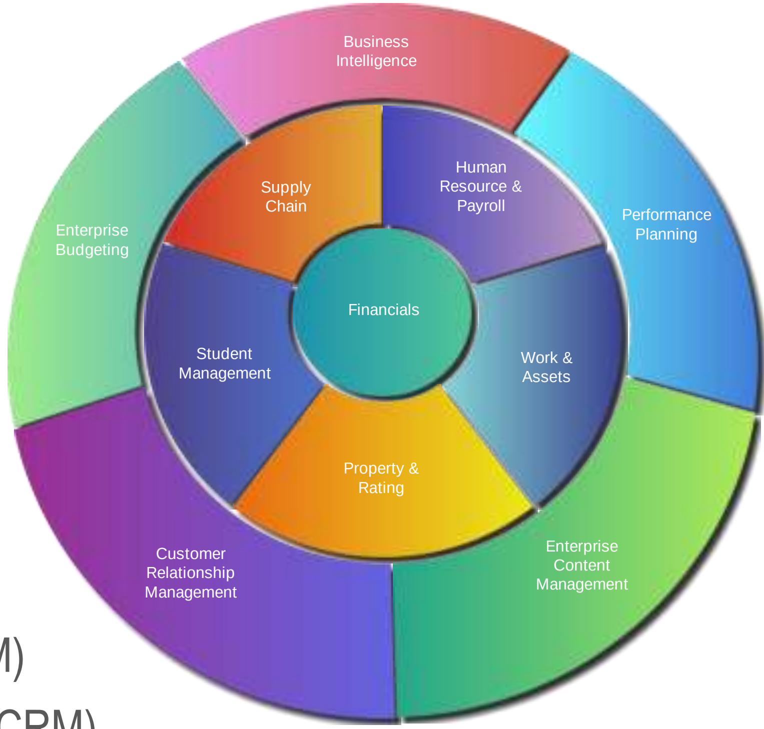
Our enterprise solution consists of the following products:

- TechnologyOne Financials
- TechnologyOne Works & Assets
- TechnologyOne Supply Chain
- TechnologyOne Human Resource & Payroll
- TechnologyOne Corporate Performance Management
  - TechnologyOne Business Intelligence
  - TechnologyOne Budgeting & Forecasting
  - TechnologyOne Performance Planning
- TechnologyOne Enterprise Content Management (ECM)
- TechnologyOne Customer Relationship Management (CRM)
- TechnologyOne Student Management
- TechnologyOne Property & Rating



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TechnologyOne Overview

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- Offices in Australia, New Zealand, Asia and, more recently, the United Kingdom
- Growing business in the United Kingdom
- Major supplier of enterprise applications in ANZ – 800+ major corporations, government departments and statutory authorities
- One of Australia's largest software houses, specialising in the research, development and commercialisation of software

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Agenda

- **2009 Results**
- Improved ‘Go To Market’ Strategy
  - Changes to Sales
  - Solutions Focus
  - Programs & Promotions
- Product Strategies in 2010
- Outlook for Full Year
- Long Term Outlook

2009 Results

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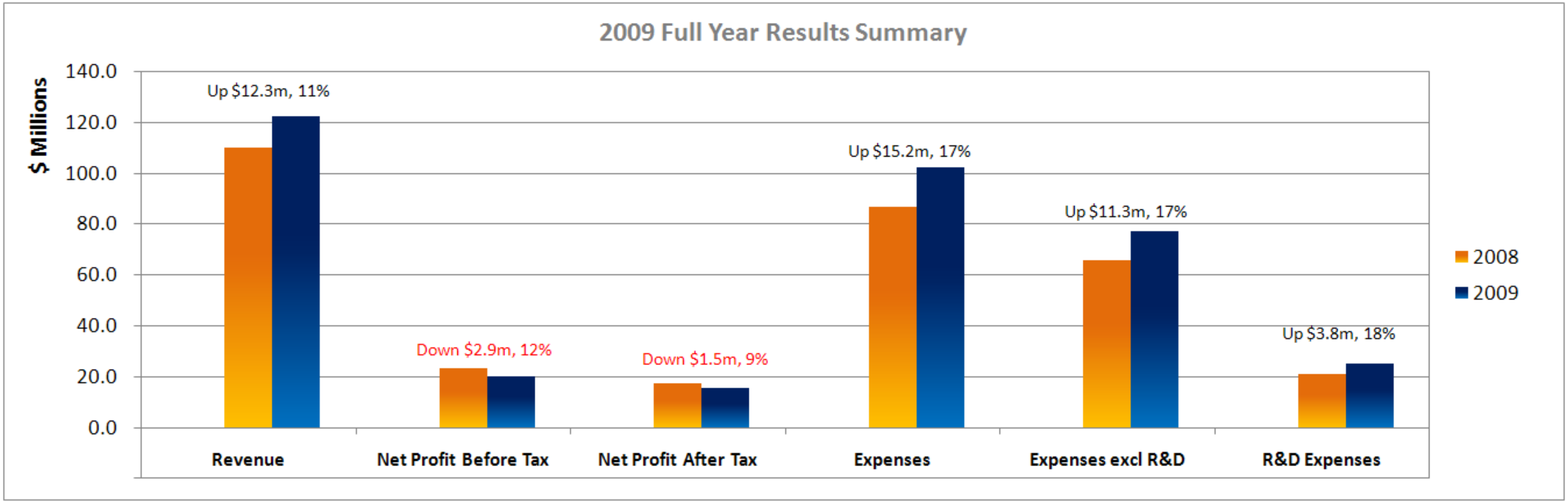

- Revenue $122.5m, up 11% (up $12.3m)
- Net Profit Before Tax $20.3m, down 12% (down $2.9m)
  - Note: Half Year Profit was only $4.96m, down 49%
  - Note: Within our guidance of PBT down 6% to 12%
- Net Profit After Tax $15.68m, down 9% (down $1.5m)
- Total Expenses $102.2m, up 17% (up $15.1m)
- Expenses excluding R&D $77.3m, up 17% (up $11.3m)
- R&D $25m, up 18% ($3.8m); 20% of Revenue (vs 19.1% last year)

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2009 Results

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- Continuing demand for our products: 8% increase in licence fees in a very challenging market
  - Our competitors' licence fees were down dramatically
- Continued significant investments as follows:
  - To build our United Kingdom business ($1.5m loss)
  - Newly acquired Performance Planning ($1.1m loss)
  - Human Resource & Payroll ($1.9m loss)
  - Student Management ($171k loss)
  - New CRM product (break even)
- Expenses increased disproportionately up 17% (vs Revenue up 11%)
  - Managing expense growth was always the major challenge in 2009
- Cost control initiatives worked well – improvement from first half when expenses were 'up 26%'
- Did not impact our business – all staff retained and all R&D projects continued
  - Our competitors reduced staff numbers significantly
  - Will impact them in future years with the loss of IP & talent
- Discussed in more detail later

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Guidance

Profit After Tax	**down 9%**
✓ **Profit within revised guidance:**	**Profit down 6% to 12%**
✗ **Profit outside of original guidance:**	**Profit growth 10% to 15%**

- Expense growth to track down over the full year and come in at 15% to 18% up
  - Expense growth was up 17% and within guidance
  - Cost control initiatives worked as planned
- Revenue growth to continue over the full year and come in at 15% to 18%
  - Revenue growth was only 11%, and outside of guidance
  - Challenging economic environment had significant impact in the last few months of year
    - Large multi-million dollar licence fee contract for which we were preferred supplier was postponed
    - We then reassessed a number of our other contracts expected to close in September
    - UK particularly hard hit by GFC, with UK loss $1.5m; profit down $1.6m on budget

2009 Results

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- Balance sheet strong
  - Cash and equivalents*: $30.5m
  - Bank overdraft facility of $7m which is not drawn
  - Debt/Equity: 5% (vs 4% 30/9/08)
- Operating Cash Flow is $18.6m (vs Profit After Tax of $15.7m)
- Transparency of results – all R&D fully expensed

*Includes short term investments of $4.3m

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2009 Results Summary

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Full Year 2009 v Full Year 2008	2009 $'000	2008 $'000	Variance $'000	%
Revenue excl interest	121,684	108,874	12,810	12%
Expenses (excl R&D, Depn, Forex & Amortisation)	73,822	63,592	10,230	16%
EBITDAR	47,862	45,282	2,580	6%
R&D Expenditure	24,908	21,154	3,754	18%
EBITDA	22,954	24,128	(1,174)	(5%)
Depreciation	3,187	1,861	1,326	71%
Amortisation of Intangibles	263	211	52	25%
Forex Expense	32	268	(236)	(88%)
EBIT	19,473	21,788	(2,315)	(11%)
Net Interest Income	803	1,341	(538)	(40%)
Profit Before Tax	20,276	23,129	(2,853)	(12%)
Profit After Tax	15,684	17,229	(1,545)	(9%)

2009 Results Summary

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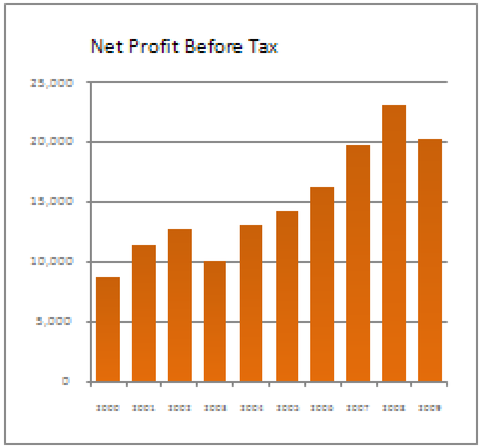
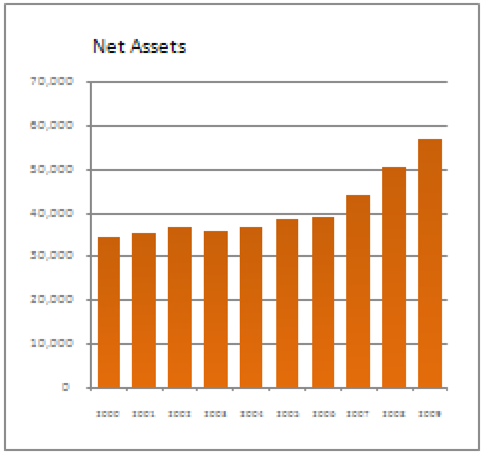
Full Year 2009 v Full Year 2008	2009 $'000	2008 $'000	Variance $'000	%
EPS cents Reported	5.24	5.77	(0.53)	(9%)
DPS cents - standard	3.75	4.12	(0.37)	(9%)
Dividend Payout Ratio	72%	71%		
EBITDAR Margin	39%	42%		
EBITDA Margin	19%	22%		
Net Profit Before Tax Margin	17%	21%		
Net Profit After Tax Margin	13%	16%		
R&D as Percentage of Total Revenue	20%	18%		
Net Assets	57,143	50,513	6,630	13%
Cash & Cash Equivalents	30,537	23,684	6,853	29%
Net operating cash flows	18,561	11,782	6,779	58%
Debt/Equity	5%	4%		





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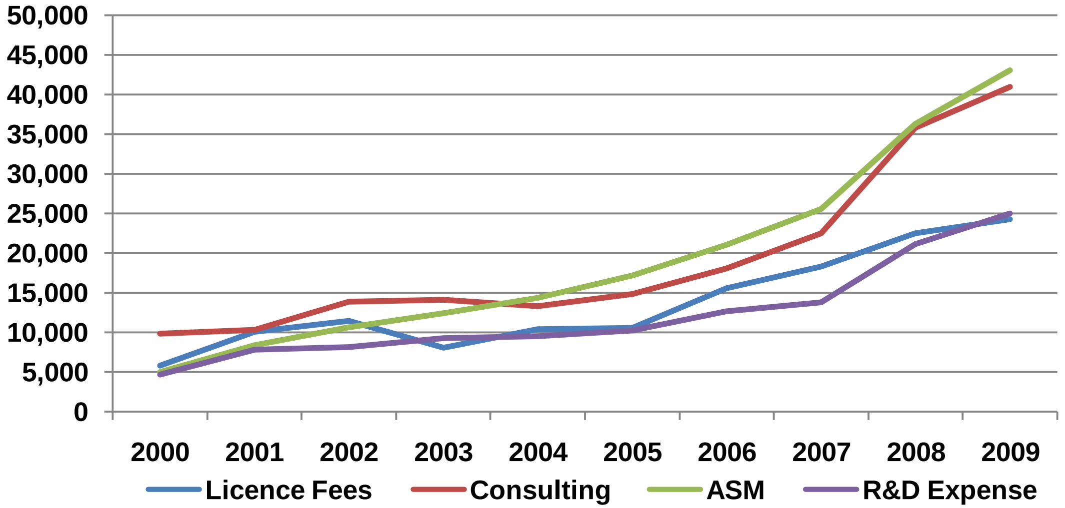
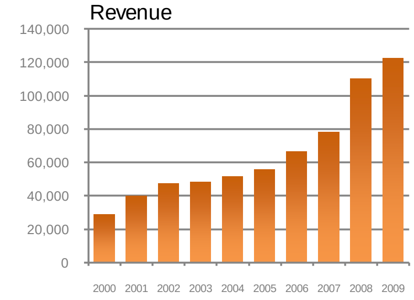
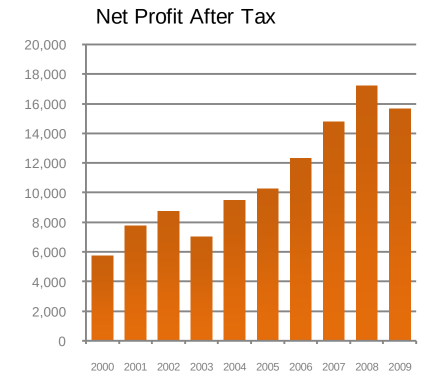
10 Year History – Full Years



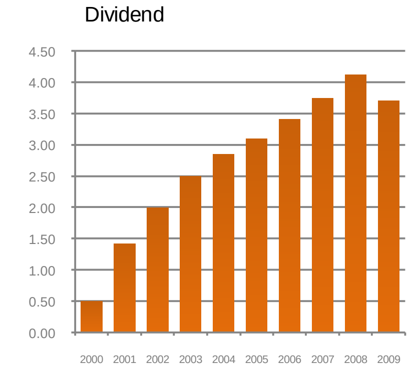




TechnologyOne has been doubling in size on average every 4 years over the last 10 years

Average compound growth over the last 10 years

- Revenue 18% per annum
- Dividend 25% per annum
- ASM fees 27% per annum



Revenue Streams

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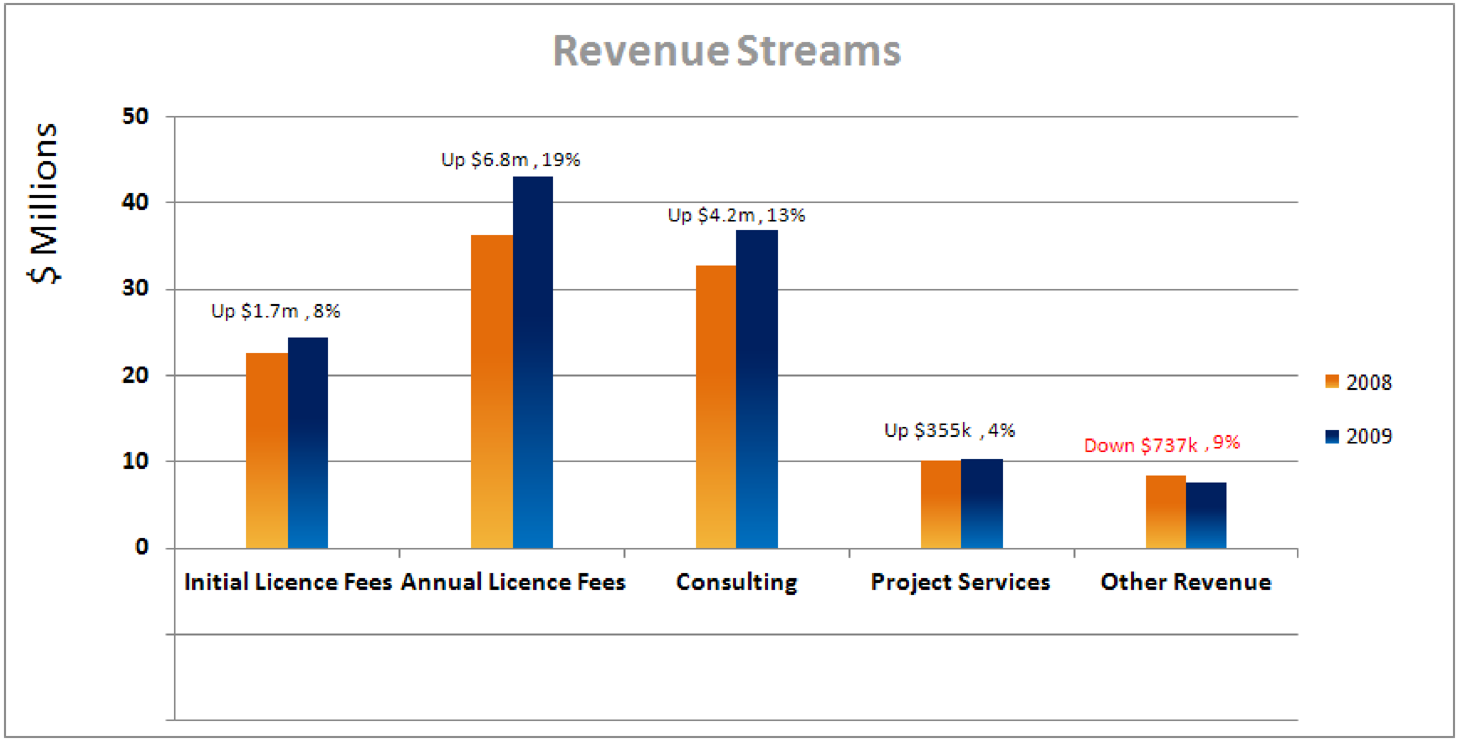

- Initial licence fees of $24.3m, up 8% (up $1.75m)
- Annual licence fees of $43m, up 19% (up $6.8m)
- Consulting services fees of $36.9m, up 13% (up $4.2m)
- Project services revenue of $10.4m, up 4% (up $355k)
- Other revenue of $7.7m, down 9% (down $737k)
  - This includes product modifications, technical support, interest, etc.
  - Product modifications revenue was the biggest impact, down $2.1m to $1.1m, as we move away from product modifications
- 50+% of our revenues generated from existing clients

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Product – Licence Fee Analysis

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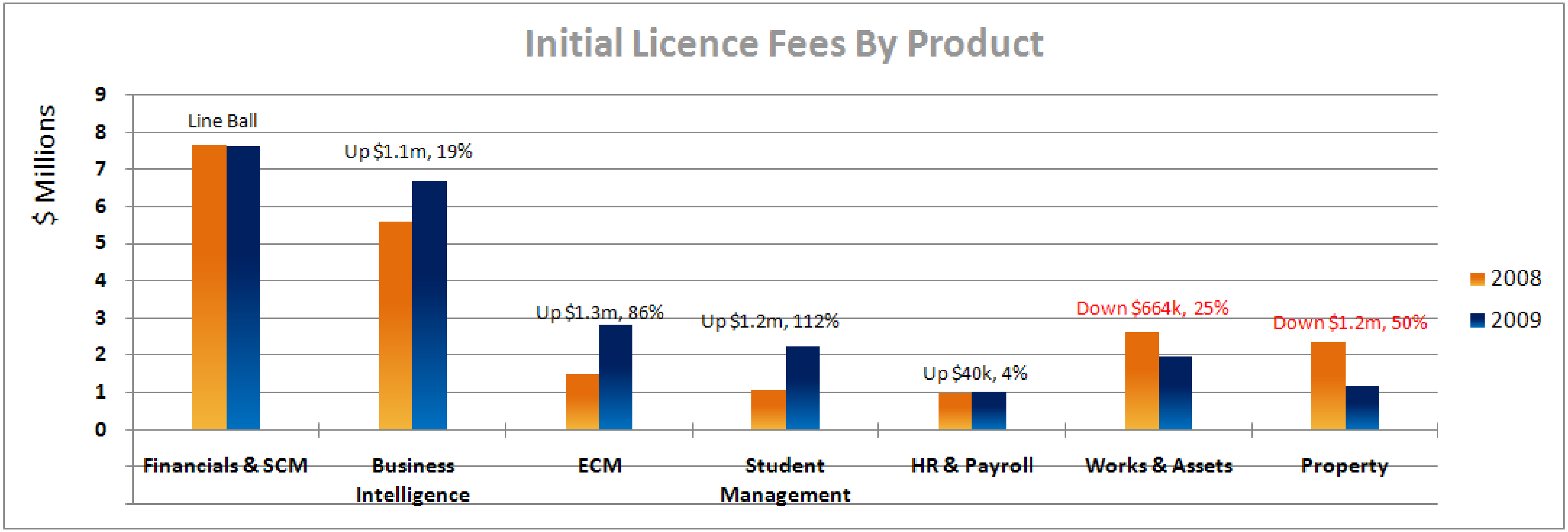

- Financials/Supply licence line ball last year to $7.63m
- Business Intelligence licence fees up $1.1m (19%) to $6.7m
- ECM licence fees up $1.3m (86%) to $2.8m
- Student Mgt licence fees up $1.2m (100+%) to $2.2m
- HR & Payroll licence fees up $40k (4%) to $1m
- Works & Assets licence fees were down $664k (25%) to $2.0m (discussed later)
- Property licence fees were down $1.2m (50%) to $1.2m (discussed later)

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Product – Licence Fee Analysis

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Continued to invest in following areas:

- Performance Planning – newly acquired product
- TechnologyOne CRM – exciting new offering
- TechnologyOne Next Gen – next generation platform

Geographical Analysis

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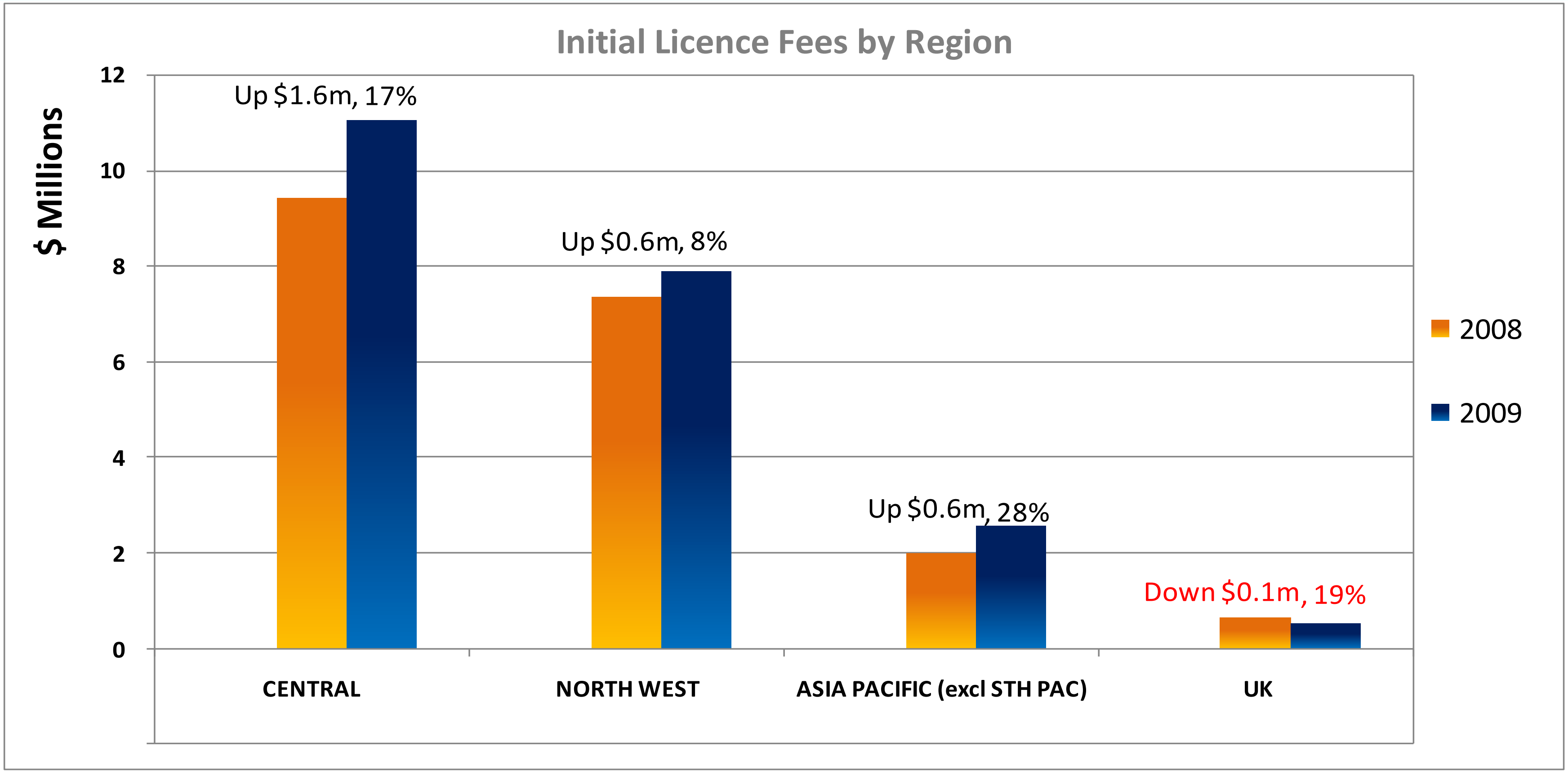

All regions performed well, except the UK

- Central Region performed strongly, licence fees up 17% ($1.6m) to $11.1m
- Northern Region licence fees up 8% ($554k) to $7.9m
- Asia Pacific Region performed strongly, initial licence fees up 28% ($557k) to $2.6m
- United Kingdom licence fees down 19% ($127k) to $524k

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Geographical Analysis

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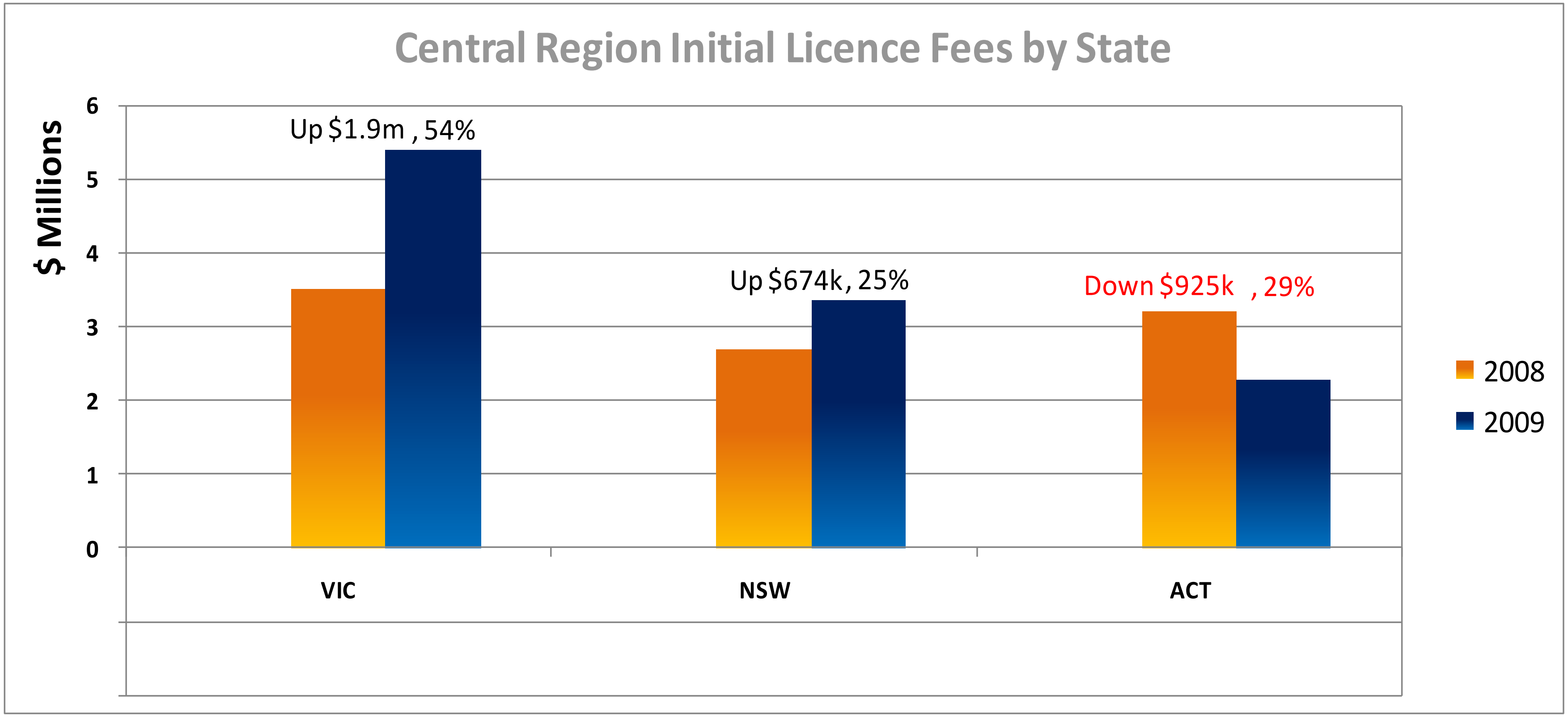

Central Region performed strongly, licence fees up 17% ($1.6m) to $11.1m

- VIC licence fees up 54% ($1.9m) to $5.4m
- NSW licence fees up 25% ($674k) to $3.4m
- ACT licence fees down 29% ($925k) to $2.3m

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Geographical Analysis

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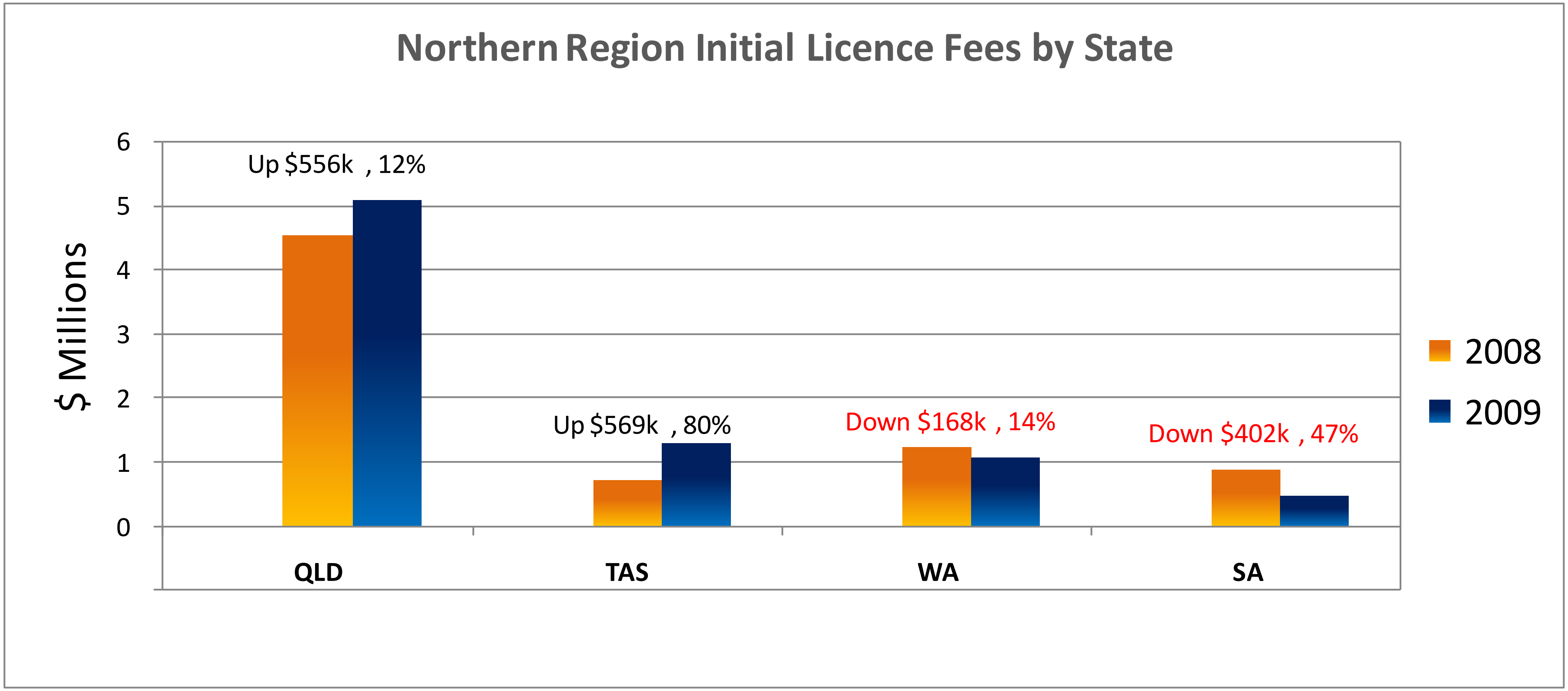

Northern Region licence fees up 8% ($554k) to $7.9m

- QLD licence fees up 12% ($556k) to $5.1m
- TAS licence fees up 80% ($569k) to $1.3m
- WA licence fees <u>down</u> 14% ($168k) to $1.1m
- SA licence fees <u>down</u> 47% ($402k) to $462k

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Geographical Analysis

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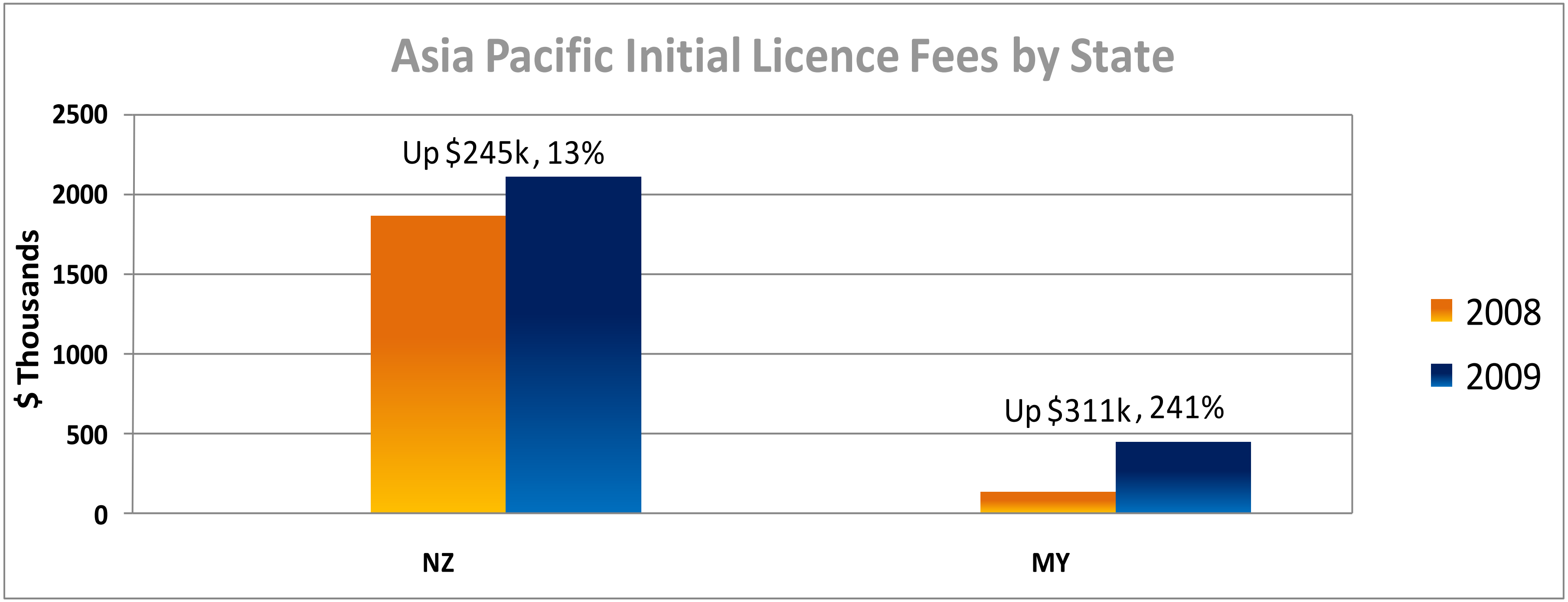

Asia Pacific Region (excluding South Pacific) performed strongly, initial licence fees up 28% ($557k) to $2.6m

- NZ initial licence fees up 13% ($245k) to $2.1m
- Malaysia licence fees up 100% ($311k) to $441k
- Note: South Pacific – no activity, licence were $1.5m last year

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Geographical Analysis

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United Kingdom licence fees down 19% ($127k) to $524k

- **UK loss of $1.5m**

- Customer list is as follows
  - University of Hertfordshire (new)
  - Scarborough Borough Council (new)
  - Strathclyde Partnership for Transport
  - Royal Liverpool Children's NHS Trust
  - Bravura Solutions (UK) Limited
  - Hereford & Worcester Fire & Rescue Service
  - Institute of Education
- Discussed in more detail later

2009 Results Summary

- Increased revenues and licence fees in a difficult market
- Our competitors had significantly reduced revenues and licence fees
- TechOne is not complacent – opportunity to improve our business
- Improved ‘Go To Market’ Strategy

Agenda

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- 2009 Results
- **Improved 'Go To Market' Strategy**
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  - Solutions Focus
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Changes To Sales

UK Region

- Divide UK into 2 regions, to create a greater focus
  - Southern Region – Existing Office in Maidenhead – to continue
  - Northern Region – New Office in Manchester – appoint new Area Manager
- Cost control initiatives implemented

Other Sales Regions

- Appointed new State Manager in NSW
- To appoint new State Manager in SA
- Removed position of Region Manager Asia
  - Malaysian distributor now treated as another TechnologyOne office
  - Report direct to OO Sales & Marketing

Improved sales focus in uncertain times

- All regions now report directly to OO Sales & Marketing

Agenda

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Our Current Model
Product Focus

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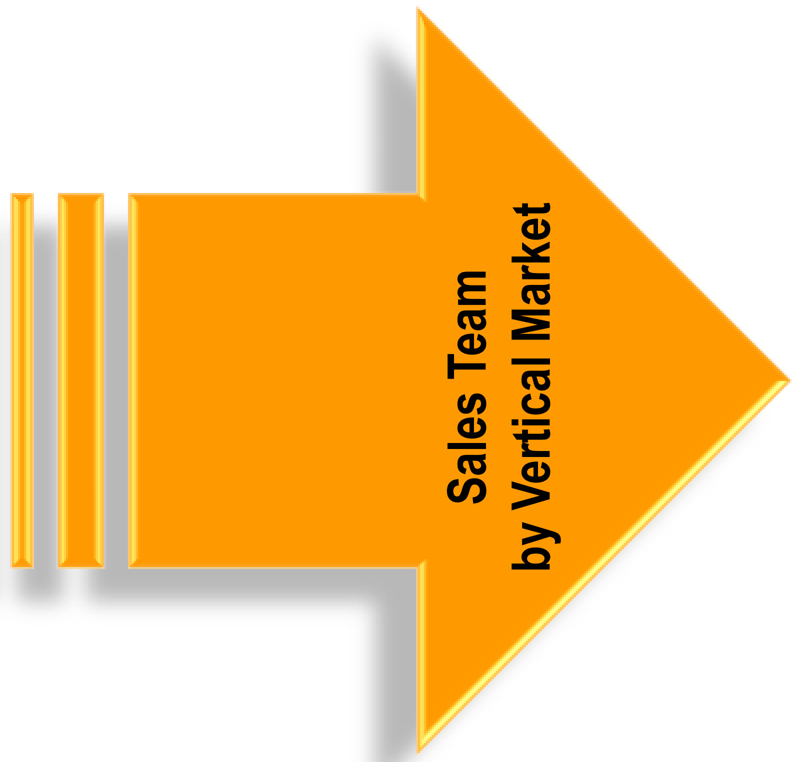
Products and Services

Today: 'House of Products'
Selling products

- Financials
- Human Resource & Payroll
- Supply Chain
- Property & Rating
- Student Management
- Works & Assets
- Customer Relationship Management
- Enterprise Content Management
- Enterprise Budgeting
- Business Intelligence
- Performance Planning



Customers
by Vertical Market

- Financial Services
- Education
- Health & Community
- Local Government
- Government
- Utilities
- Managed Services

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Improved Model Solutions Focus

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Future: 'House of Solutions'

Selling preconfigured solutions

Products & Services

- Financials
- Human Resource & Payroll
- Supply Chain
- Property & Rating
- Student Management
- Works & Assets
- Customer Relationship Management
- Enterprise Content Management
- Enterprise Budgeting
- Business Intelligence
- Performance Planning

Create Preconfigured Solutions

Sales Team by Vertical Market

Customers by Vertical Market

- Financial Services
- Education
- Health & Community
- Local Government
- Government
- Utilities
- Managed Services

Pre-configured solution

Product architecture for a market
Best practice
DataWarehouse/BI 'out of the box'
Messaging and positioning for a market
Compelling 'end to end' demonstration
Out of the box pricing including services
Fast track implementation plan

Solutions Group

Operating Officer - Market Solutions

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Improved Sales Model
Solutions Focus

Build, demonstrate, sell and implement a 'best practice, pre-configured out of the box' solution for a vertical

- Change our approach from 'Tell us what you want and we will build it?' to 'This is best practice and how do you want to change it?'

Reduce time, effort, cost and risk

Early trial in ACT 'OneFMA' – delivered $3+m in licences & services

Initial 'best practice, pre-configured' solutions being developed as follows:

- Local Government
- Central Government
- Health & Community Services – Non for Profit
- Health & Community Services – Research Institutes
- Health & Community Services – Health Boards
- Utilities – Water
- Utilities – Ports & Airports
- Higher Education
- Licensing & Compliance
- Grants Management

- Expect this will take 12 months to deliver these solutions to the market

Agenda

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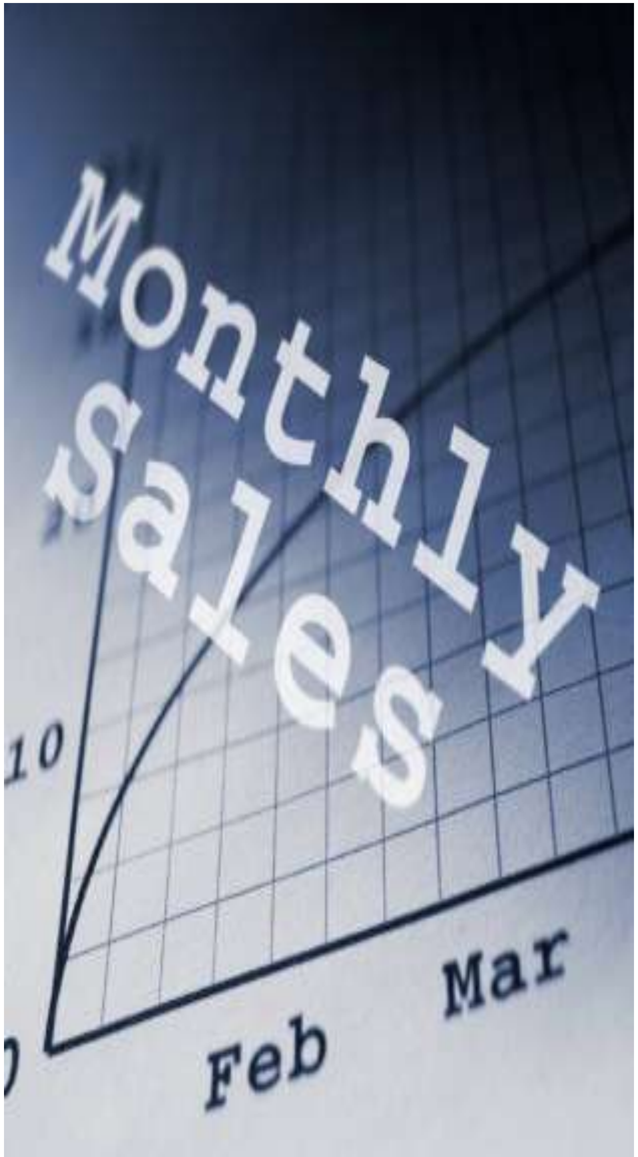
Programs & Promotions



TechnologyOne has one of the broadest suite of applications in the world

- Many licensable products
- Many licensable modules
- Many licensable product extensions
- We need to create a sharper focus on what we have to sell and better support our sales team

Programs & Promotions way forward

- Identified 70+ programs/promotions to sell
- Aligning R&D, Service Delivery, Sales & Marketing on our Programs & Promotions

'Go To Market' Strategy

Products

Modules & Extensions

Programs & Promotions

Clearly identify programs and promotions that will deliver significant value to both us and our customers

Marketing campaign to support each Program & Promotion

We will budget and measure the success of each program and promotion

- We can then improve it
- Drive changes in R&D, Sales, Marketing and Consulting

Sales Team

Customer

Evolutionary approach, repetitive approach

6 months to put this in place

Marketing Campaign

Agenda

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CRM
Customer Relationship Management

- Exciting very new product with significant potential
- Achieved $486k licence fees in first year and 'broke even'
- Critical to winning enterprise deals for:
  - Children's Medical Research Institute (NSW)
  - Beyond Blue (Vic)
- Clear strategy
  - Deep integration to our other products
  - 'Out of the box' solutions
  - Focus on our specific vertical markets
  - Focus on specific solutions: Contact & Stakeholder Mgt, Fund Raining, Grants, Community Engagement, Case Management, etc.
  - Low cost of implementations
- Expect strong growth over next 5 years

ECM
Enterprise Content Management

- Achieved $2.8m licence fees in 2009, up $1.3m (86%)
- Exciting technology with significant potential
- Significant growth market
- Clear strategy
  - Migrate to our Connected Intelligence (Ci) platform
  - Deep integration to our other products
  - Ease of use
  - All content is visible through both the enterprise suite or ECM, no matter how it gets recorded
- Expect strong growth over next 5 years once ECM Ci delivered

Corporate Performance Management

- Corporate Performance Management
  - Combination of Business Intelligence (BI), Enterprise Budgeting and Performance Planning
- Very successful – Licence Fees of $6.9m in 2009, up 19%
  - Enterprise Budgeting into existing customers has been the driver here
  - Performance Planning (newly acquired) only $252k of new licences; a loss of $1.1m
- Strategy
  - Performance Planning migration to Ci platform avail early 2010, to drive sales
  - BI – significant potential now ETL (Extract, Transform & Load) functionality delivered, as can run over Non TechOne systems
- Strong growth continuing as we start promoting Performance Planning and BI

ETL / Data Warehousing

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- Financials
- Human Resource & Payroll
- Supply Chain
- Property & Rating
- Student Management
- Works & Assets
- Customer Relationship Management
- Enterprise Content Management
- Enterprise Budgeting
- Performance Planning
- Custom Software Development
- Non TechOne Systems

Business Intelligence Connectors
Out of the box

E – Extract
T – Transform
L – Load

ETL is user definable

Data Warehouse

ETL/Data Warehouse provides an abstraction layer from underlying system changes, simplifies BI, and improves performance

Supports non-TechnologyOne Systems

TechnologyOne Business Intelligence

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HR/Payroll

Critical part of our enterprise solution

Significant improvement in last 18 months

- New GM and 'House of Products' strategy
- CI migration completed, stability improved, usability improved

Strategy

- Final push on product usability, stability and functionality next 12 months
- Restructure R&D – greater focus and accountability on each of HR and Payroll
- Fast track development of outstanding items – increase size of R&D team
- Expect a significant improvement on $1.9m loss last year

Works & Assets

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- Licence fees of only $2m, down $663k

Strategy

- Teething problems after fast growth in prior year
- Appoint a new General Manager
- Exec team to work closely with the Works & Assets team over the next 12 months
- Focused Programs & Promotions to make it easier to sell and drive sales in short term

Property & Rating

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- Licence fees of only $1.2m, down $1.2m

Strategy

- Larger Local Government deals appearing again next year, better suited to us
- Deliver a ‘pre-configured Local Government solution’ by early 2010
  - Simplify our LG offering – reduce cost, time and effort
- Investigating opportunities in the UK market for future growth

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Student Management

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- Licence Fees of $2.2m up $1.2m
- New management team in place, product stabilised and first Ci sites live
- Curtin University, Flinders University, Bond University and Southern Cross University, Macquarie and UTS now 'live' on Student Ci
- La Trobe, Melb Uni and QUT on track for 'go live' on Student CI
- Recent win: University of Tasmania
- Good opportunities ahead in TAFE, NZ tertiary, our competitors' sites, smaller institutions

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Financials/SupplyChain

- Our Financials/Supply Chain provides us a powerful platform for what we do
- Business as usual
- Many Programs & Promotions
- Continuing strong growth

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Outlook for Full Year

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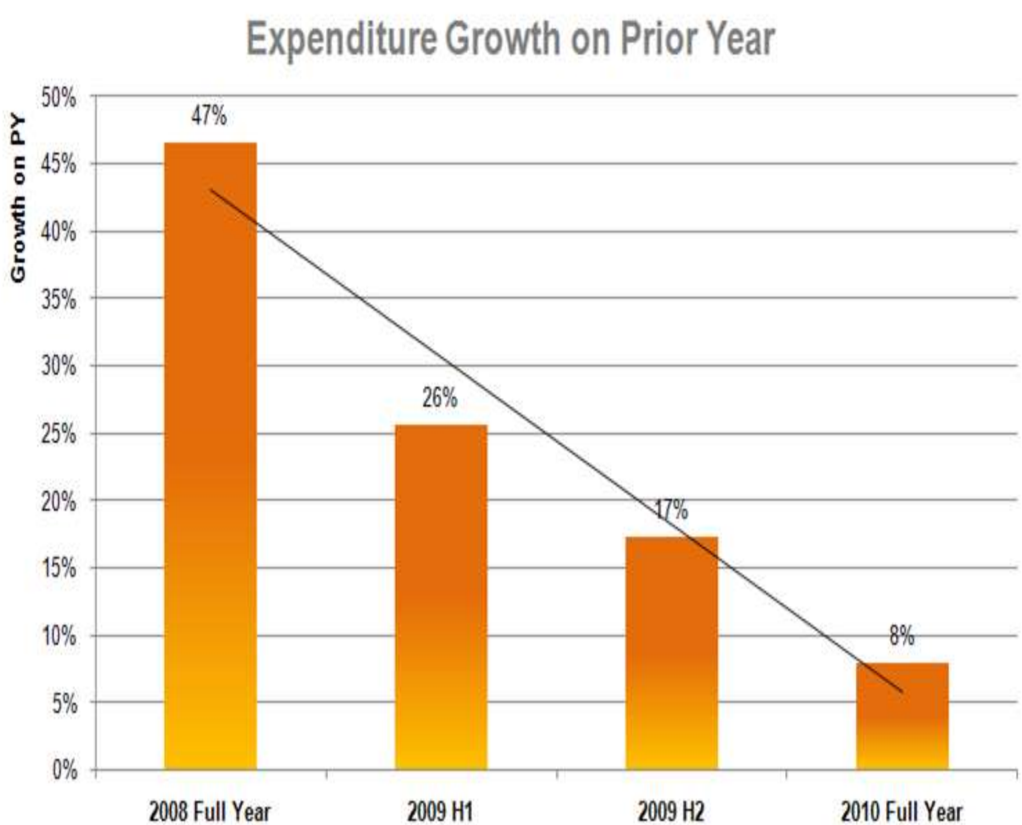
Expenses are expected to grow less than they have in prior years

- Cost control initiatives implemented in 2009 will have a continuing positive impact in 2010 financial year
- Rebalancing of resources across R&D teams to reduce our R&D expenditure as a percentage of revenue, without significantly impacting our R&D program
- ➢ Expense growth to be approx 8% in 2010



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Outlook for Full Year

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We expect to see further growth in revenue:

- Constrained market conditions continuing, but have stabilised
- Market competition & pricing pressure continuing, but have also stabilised

We will need to carefully manage and monitor the sale cycle for contract delays

Profit growth expected to resume in the 2010 financial year

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Outlook for Full Year

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Challenges

- New R&D centre/HQ and associated run out of ‘lease tails’ & additional depreciation – estimated impact of $1.5m extra in 2010
  - This is factored into the expense growth outlook of 8% for the full year
- United Kingdom – market remains challenging, and further exacerbated because TechnologyOne is a new entrant
- Australia, NZ & Asia – market conditions remain constrained
- Implementation of our improved ‘Go To Market’ strategy and Product Strategies

Agenda

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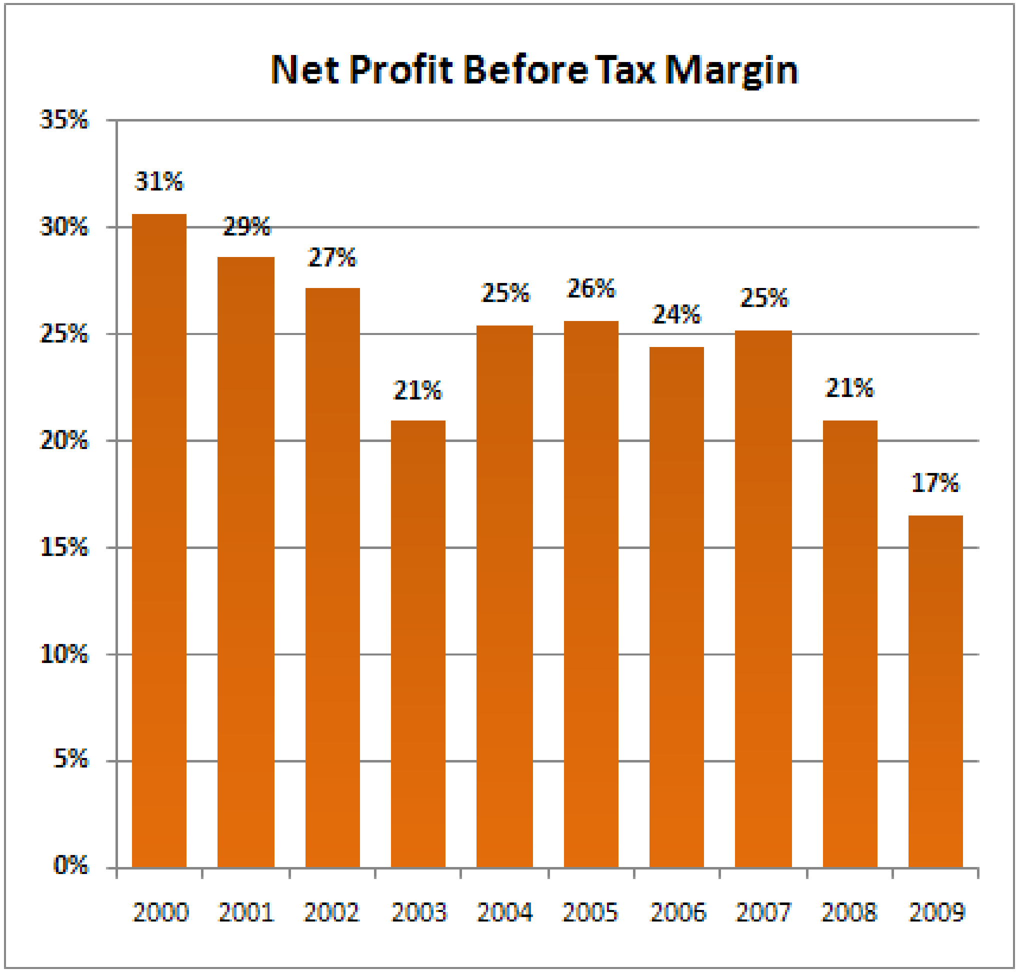
Long Term Outlook

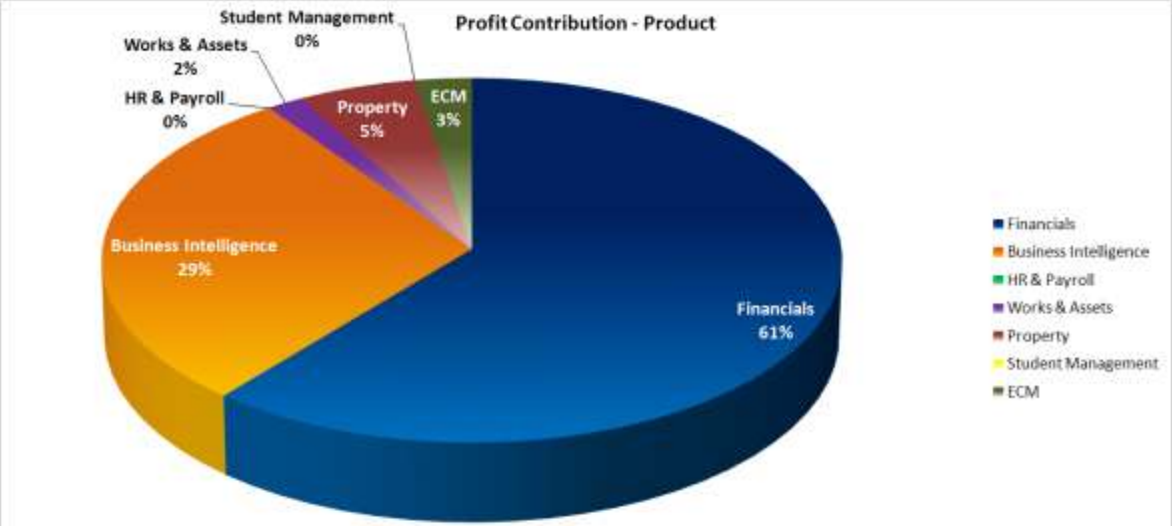
Improved Profit Margin

- Profit margin has contracted over the last 10 years as we have expanded our product range, invested in Ci, extended our management structure (e.g. House of Products) and invested in the UK
- Focus is to substantially improve margins over next 5 years

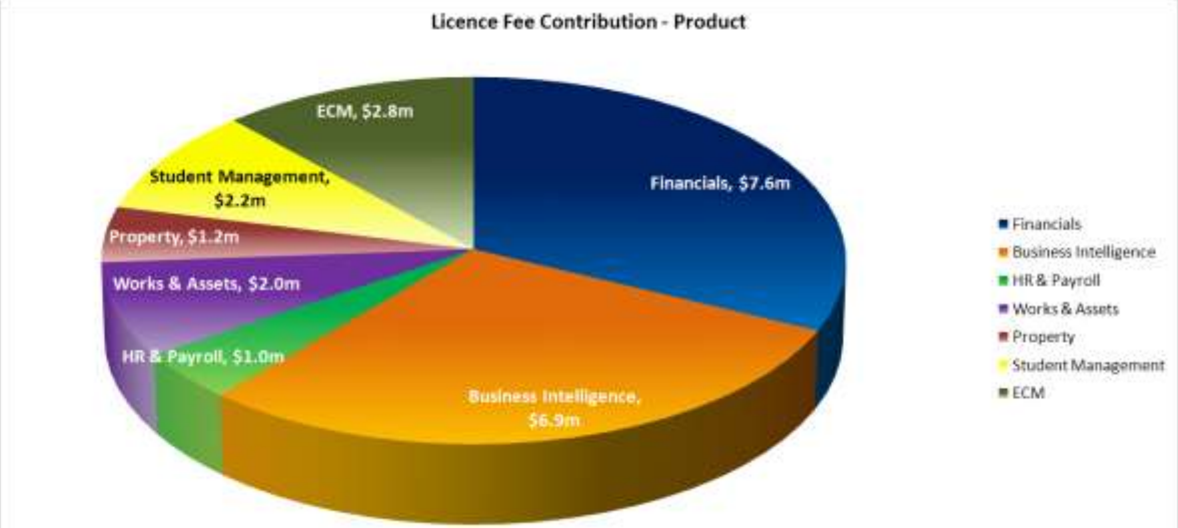


Improved Product Contribution

- We have invested heavily in our new products over the last 9 years
- Opportunity to substantially grow the contribution to profit by other products over the next 5 years:
  - ECM
  - Student Mgt
  - Property & Rating
  - Works & Assets
  - Hr & Payroll



90% Profit Contribution from Financials/BI



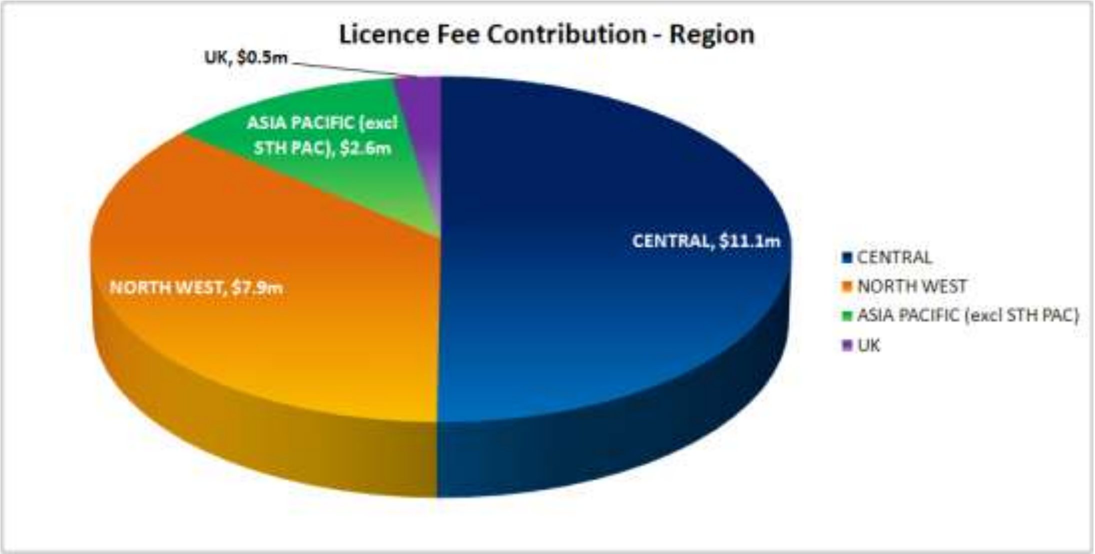
61% L/Fee Contribution from Financials/BI

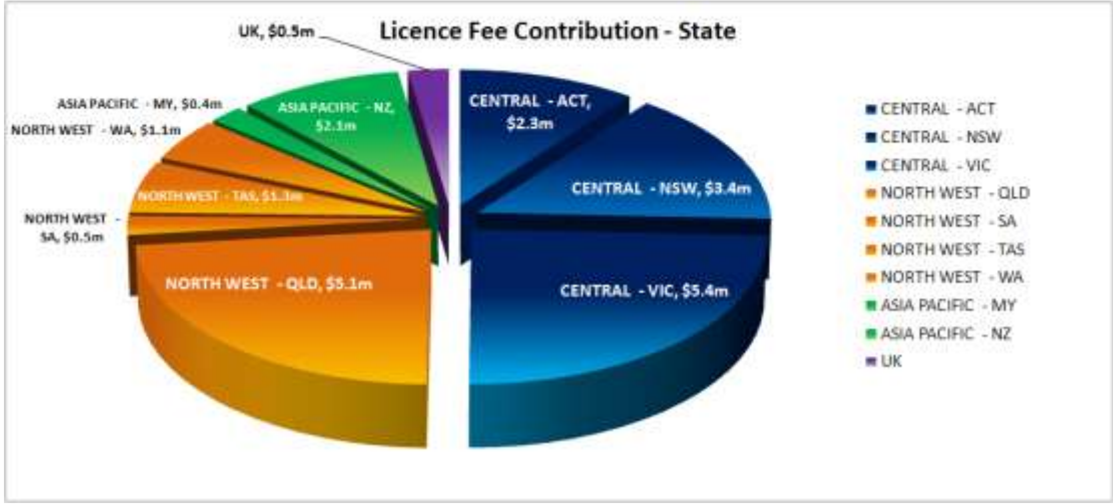
Long Term Outlook

technologyone evolve

Improved Regional Contribution

- Opportunity to substantially grow licence fees over next 5 years as follows:
  - UK – we have invested heavily over the last few years
  - NSW
  - Asia
  - New Zealand





Long Term Outlook

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Remains strong because of our clear and compelling value proposition:

- Enterprise Suite – one of a few companies globally with an enterprise solution
- Connected Intelligence – the first new generation enterprise solution
- Power of One – unique approach to build, market, sell, implement & support our products
- Vertical Markets Focus – focus on seven key markets & our deep industry knowledge
- Aggressive R&D Program – expand our product range
- Acquisitions – expand our product range and our customer base
- Our Large Customer Base – opportunities to cross sell our expanding product range
- Geographical Expansion – United Kingdom has significant longer term growth
- Pre-configured Solutions – reduce time, effort, risk & increase penetration in our markets new
- Programs & Promotions – drive sales of our expanded product range into our existing customer base new

Full Year Results Presentation
Year Ending September 2009

Adrian Di Marco
Executive Chairman

www.TechnologyOneCorp.com

Commercial in confidence   November 2009

technologyone
business software solutions