



MACQUARIE  
ACN 002 574 923

Macquarie Private Wealth

Snapshot

# Computershare

## Business Description

Computershare Limited (CPU, formerly Halifax Computershare Pty Ltd) is the world's largest global share registry. It is the leading provider of financial market services and technology to the global securities industry operating in 17 countries across 5 continents. Services and solutions are provided to listed companies, investors, employees, exchanges and other financial institutions.

## Strategy Analysis

CPU uses its IT and financial strength to capture share of an increasing number of markets in existing and new geographies. This will include continued participation in consolidation of the US market, building on the much improved UK business, and expanding presence in the developing markets of Europe and Asia. There will be ongoing investment to sustain IT capability and advantage. There is continued focus on operational quality and efficiency via improved measurement, benchmarking and technology. There is also emphasis on improving front-office skills to protect and drive revenue through more effective account management, new business generation and exploitation of cross-selling opportunities. In addition to services to sharemarket participants, the company increasingly utilizes its core record management skills to provide services in other areas. An example is a contract to deliver a custodial tenancy Deposit Protection Service on behalf of the UK government. Such initiatives will provide an offset to cyclicity in the core business. Computershare reported NPAT down 9.3% to US\$255.73m for the year ended 30 June 2009. Revenues from ordinary activities were US\$1.50bn, down 4.5% from last year. Diluted EPS was 45.78 US cents compared to 49.89 US cents last year. Net operating cash flow was US\$341.5m compared to US\$347.33m last year. The final dividend declared was 11 AU cents, taking the full year dividend to 22 AU cents compared with 21 AU cents last year.

28 July 2010

## Recommendation

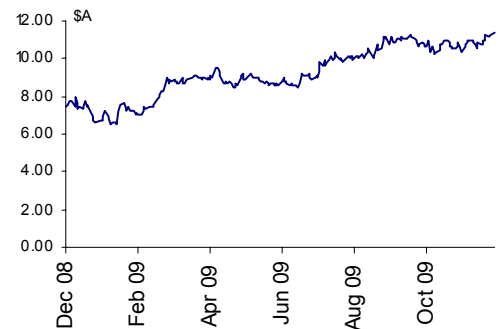
Recommendation: Outperform  
Relative to: All Ind (ex Fins)

## Investment Fundamentals

ASX code: CPU  
Stock price: \$10.07  
Market cap: \$5,596m

Y/E	30/06/2010	2010e	2011e	2012e	2013e
Reported e	\$m	365.6	415.7	452.0	514.7
Adjusted e	\$m	370.8	415.7	452.0	514.7
EPS adjusted	¢	66.4	74.2	80.7	91.9
EPS growth	%	-5.9	11.7	8.7	13.9
PE	x	15.2	13.6	12.5	11.0
PE relative	x	1.1	1.2	1.2	1.2
DPS	¢	24.7	27.0	29.7	32.9
Yield	%	2.5	2.7	3.0	3.3
Franking	%	50.0	50.0	50.0	50.0

## Share Price



Source: ASX and Company accounts

## Segment Performance

Results by Industry	Revenue (%)	Return on Sales (%)	Return on Assets (%)	Annual Shareholders' Return	
				1 year	4.0%
Investor Services	76.4	14.4	21.7	3 year	2.0%
Communication Services	9.7	16.2	20.4	5 year	12.0%
Plan Services	6.5	50.4	15.0	10 year	4.0%
Shareholder Relationship	4.8	9.5	13.5	Dividend Reinvestment Plan	No
Management Services				Shareholder Discounts	No
Technology Services	2.6	2.7	5.6		
<b>Total</b>	<b>100.0</b>	<b>93.2</b>	<b>76.2</b>		
Results by Geography					
North America	46.1	11.0	20.2		
EMEA	28.0	20.3	23.4		
Asia Pacific	26.0	17.3	16.9		
<b>Total</b>	<b>100.1</b>				

## Company contact details:

Computershare Limited  
Yarra Falls, 452 Johnston St  
Abbotsford VIC 3067  
Tel: (03) 9415 5000

[www.computershare.com.au](http://www.computershare.com.au)

**If you have any queries regarding this Research information or with any aspect of your legalsuper account please call legalsuper on 1800 060 312 (freecall) or email [mail@legalsuper.com.au](mailto:mail@legalsuper.com.au)**

**Disclaimer:** This report is prepared for general circulation and does not have regard to the particular circumstances or needs of any specific person who may read it. The information contained herein is believed to be reliable, but its completeness and accuracy is not guaranteed. Opinions expressed may change without notice. No part of this report is to be construed as a solicitation to buy or sell any security. We do not accept any liability, whether direct or indirect arising from the use of information contained in this report. International investors are reminded of the risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Any transaction by US persons in any security discussed in this report must be carried out through Macquarie Equities (USA) Inc which has distributed this report in the US. This report is issued in the UK by Macquarie Equities Limited, which is a member of the Securities and Futures Authority. The investments and investment services the subject of this report are not available to private customers in the UK. The material in this publication is copyright and may not be reproduced without consent of the copyright owner.