

# TechnologyOne announces 12 years of record revenues, posting 200+ per cent cloud growth

Brisbane, 24 November 2015 -- TechnologyOne (ASX:TNE), Australia's most successful enterprise software company today announced its results for the full year ending 30 September 2015, recording its twelfth consecutive year of record revenues and licence fees.

The results exceeded market guidance for profit growth between 10 and 15 per cent, with Net Profit Before Tax up 16 per cent on the prior full year period to \$46.5 million.

TechnologyOne attributed its continuing success to strong growth in its cloud business by more than 200 per cent. The company also saw an impressive 17 per cent increase in licence fees. It welcomed more than 50 new enterprise customers this financial year, and signed up 49 organisations for its Software as a Service (SaaS) offering.

The list of new SaaS customers included a number of high profile, large scale enterprises such as Brisbane City Council, Wellington City Council, Australian Bureau of Statistics, Department of Treasury, TAFE Queensland and Mercy Health.

In 18 of the 50-plus new corporate customers, TechnologyOne replaced competitive systems from Oracle, SAP, Microsoft and Infor.

"All our largest new customers were SaaS deals, signifying that customers are embracing our vision for cloud," said Adrian Di Marco, TechnologyOne's Executive Chairman.

"The market is becoming more sophisticated in understanding the difference between the lift and shift approach offered by hosting providers, and seeing the benefits in the massive economies of scale SaaS vendors like TechnologyOne provide.

"Other enterprise vendors who take the dirty hosting approach with their software cannot provide the future proof way forward SaaS vendors can.

"Hosting offers a 'fake cloud', without any economies of scale. Customers end up paying for incompatible environments, outdated/unsupported databases and expensive middleware to glue it all together. There's no guarantee you'll get enterprise-grade infrastructure components or a reliable active-active redundancy model.

"Not only is this approach highly inefficient, it also means customers aren't receiving the benefits of a true cloud.

"SaaS vendors build the software themselves, so they are deeply committed to it, they run the software for their customers and they invest millions of dollars each year in making the experience better.

"It is clearly what the cloud was always meant to be. The true beauty of SaaS is that when we enhance our solution with a new feature, all of our cloud customers benefit from it - which is something hosting providers just can't offer.

"We are part of an elite group of companies globally delivering true enterprise software as a service, making our software the premier enterprise cloud offering in Australia and New Zealand. We are also the only enterprise provider offering a fully configurable solution, with a mass production line of servers running our software for our customers.

"Our cloud business is growing rapidly. The major uptake of cloud by new and existing customers has seen us double our cloud Annual Contract value, and we will continue to double this every year moving forward.

"It's been a transformational year for TechnologyOne. Our success validates our strategy, vision and ongoing investment in our software, as we continue to focus on building beautiful software that is incredibly simple and easy to use."

R&D continued to be a significant investment for TechnologyOne at \$41 million for the full year, representing 19 per cent of revenue, which exceeds the market average of approximately 12 per cent. R&D continued across the company's Ci Enterprise Suite, Ci Anywhere and the TechnologyOne Cloud.

"Our ability to continue to evolve and adapt both our company and products to a rapidly changing cloud first, mobile first world, has been critical to our continuing success," Mr Di Marco said.

"When combined with our innovation, creativity and substantial ongoing investment in new and emerging technologies such as cloud computing and smart mobile devices, we are well positioned for continuing strong growth in the coming years.

"With Ci Anywhere and the TechnologyOne Cloud, we will help our customers future proof their organisation by delivering our enterprise software as a service on any device they choose."

More information is available in the TechnologyOne director's report.

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About TechnologyOne

TechnologyOne (ASX:TNE) is Australia's largest enterprise software company and one of Australia's top 200 ASX-listed companies, with offices across six countries. We create solutions that transform business and make life simple for our customers. We do this by providing powerful, deeply integrated enterprise software that is incredibly easy to use. Over 1,000 leading corporations, government departments and statutory authorities are powered by our software.

We participate in only eight key markets: government, local government, financial services, education, health and community services, asset intensive, project intensive and corporate. For these markets we develop, market, sell, implement, support and run our preconfigured solutions, which reduce time, cost and risk for our customers.

For 28 years, we have been providing our customers enterprise software that evolves and adapts to new and emerging technologies, allowing them to focus on their business and not technology. Today, our software is available on the TechnologyOne Cloud and across smart mobile devices.

For further information please visit: [TechnologyOneCorp.com](http://TechnologyOneCorp.com)