

**SS&C Technologies Holdings, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operation**  
(in thousands, except per share data)  
(unaudited)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30, 2013</b>	<b>June 30, 2012</b>	<b>June 30, 2013</b>	<b>June 30, 2012</b>
Revenues:				
Software-enabled services	\$ 138,047	\$ 84,889	\$ 273,786	\$ 149,464
Software licenses	6,626	5,768	12,696	9,578
Maintenance	25,410	22,976	51,425	42,474
Professional services	7,374	7,217	12,768	13,009
Total revenues	<u>177,457</u>	<u>120,850</u>	<u>350,675</u>	<u>214,525</u>
Cost of revenues:				
Software-enabled services	80,245	47,063	160,972	79,975
Software licenses	1,348	1,543	2,622	2,845
Maintenance	10,283	9,789	20,803	18,455
Professional services	4,885	4,705	9,805	8,677
Total cost of revenues	<u>96,761</u>	<u>63,100</u>	<u>194,202</u>	<u>109,952</u>
Gross profit	<u>80,696</u>	<u>57,750</u>	<u>156,473</u>	<u>104,573</u>
Operating expenses:				
Selling and marketing	10,563	8,286	20,027	15,658
Research and development	13,639	10,646	27,441	19,285
General and administrative	11,202	8,271	21,717	12,859
Transaction costs	-	9,421	-	13,574
Total operating expenses	<u>35,404</u>	<u>36,624</u>	<u>69,185</u>	<u>61,376</u>
Operating income	45,292	21,126	87,288	43,197
Interest expense, net	(11,784)	(4,485)	(24,289)	(5,034)
Other income (expense), net	2,370	(18,543)	2,516	(14,417)
Loss on extinguishment of debt	-	(4,355)	-	(4,355)
Income (loss) before income taxes	35,878	(6,257)	65,515	19,391
Provision (benefit) for income taxes	9,759	(497)	17,967	7,268
Net income (loss)	<u>\$ 26,119</u>	<u>\$ (5,760)</u>	<u>\$ 47,548</u>	<u>\$ 12,123</u>
Basic earnings (loss) per share	<u>\$ 0.32</u>	<u>\$ (0.07)</u>	<u>\$ 0.59</u>	<u>\$ 0.16</u>
Basic weighted average number of common shares outstanding	<u>81,186</u>	<u>78,098</u>	<u>80,268</u>	<u>77,908</u>
Diluted earnings (loss) per share	<u>\$ 0.31</u>	<u>\$ (0.07)</u>	<u>\$ 0.56</u>	<u>\$ 0.15</u>
Diluted weighted average number of common and common equivalent shares outstanding	<u>85,280</u>	<u>78,098</u>	<u>84,550</u>	<u>82,491</u>

See Notes to Condensed Consolidated Financial Information.

**SS&C Technologies Holdings, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
(in thousands)  
(unaudited)

	<b>June 30, 2013</b>	<b>December 31, 2012</b>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 60,586	\$ 86,160
Accounts receivable, net	97,372	91,690
Prepaid income taxes	21,738	9,651
Deferred income taxes	5,681	5,408
Prepaid expenses and other current assets	24,504	11,548
Restricted cash	2,460	2,460
Total current assets	<u>212,341</u>	<u>206,917</u>
Property and equipment, net	53,703	55,039
Deferred income taxes	1,100	1,459
Goodwill	1,526,428	1,559,607
Intangible and other assets, net	<u>489,045</u>	<u>539,883</u>
Total assets	<u><u>\$ 2,282,617</u></u>	<u><u>\$ 2,362,905</u></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$ 20,196	\$ 22,248
Accounts payable	8,542	10,528
Income taxes payable	-	1,314
Accrued employee compensation and benefits	22,931	39,812
Other accrued expenses	32,543	22,650
Deferred maintenance and other revenue	59,655	63,700
Total current liabilities	<u>143,867</u>	<u>160,252</u>
Long-term debt, net of current portion	890,618	989,890
Other long-term liabilities	17,421	17,102
Deferred income taxes	115,139	120,158
Total liabilities	<u>1,167,045</u>	<u>1,287,402</u>
Total stockholders' equity	<u>1,115,572</u>	<u>1,075,503</u>
Total liabilities and stockholders' equity	<u><u>\$ 2,282,617</u></u>	<u><u>\$ 2,362,905</u></u>

See Notes to Condensed Consolidated Financial Information.

**SS&C Technologies Holdings, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
(in thousands)  
(unaudited)

	<b>Six Months Ended</b>	
	<b>June 30, 2013</b>	<b>June 30, 2012</b>
Cash flow from operating activities:		
Net income	\$ 47,548	\$ 12,123
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	49,742	25,885
Stock-based compensation expense	4,035	2,412
Income tax benefit related to exercise of stock options	(4,941)	(1,592)
Amortization of loan origination costs and original issue discount	2,988	6,445
Loss on sale or disposition of property and equipment	322	1
Deferred income taxes	(4,474)	(2,157)
Provision for doubtful accounts	314	272
Changes in operating assets and liabilities, excluding effects from acquisitions:		
Accounts receivable	(6,418)	(8,286)
Prepaid expenses and other assets	(4,712)	6,237
Accounts payable	(2,248)	(464)
Accrued expenses	(14,245)	1,643
Income taxes prepaid and payable	5,600	(8,208)
Deferred maintenance and other revenue	(3,506)	1,362
Net cash provided by operating activities	70,005	35,673
Cash flow from investing activities:		
Additions to property and equipment	(7,724)	(4,817)
Proceeds from sale of property and equipment	55	-
Cash paid for business acquisitions, net of cash acquired	-	(957,539)
Additions to capitalized software	(428)	(322)
Other	-	87
Net cash used in investing activities	(8,097)	(962,591)
Cash flow from financing activities:		
Cash received from debt borrowings, net of loan origination costs	-	1,304,980
Repayment of debt	(102,000)	(290,000)
Proceeds from exercise of stock options	14,086	7,468
Payment of contingent consideration	-	(1,800)
Income tax benefit related to exercise of stock options	4,941	1,592
Other	(1,917)	-
Net cash (used in) provided by financing activities	(84,890)	1,022,240
Effect of exchange rate changes on cash	(2,592)	(1,168)
Net (decrease) increase in cash	(25,574)	94,154
Cash, beginning of period	86,160	40,318
Cash, end of period	\$ 60,586	\$ 134,472
Supplemental disclosure of non-cash activities:		
Excess tax benefit related to stock option exercises	\$ 12,956	\$ -

See Notes to Condensed Consolidated Financial Information.

**SS&C Technologies Holdings, Inc. and Subsidiaries**  
**Notes to Condensed Consolidated Financial Information**

**Note 1. Reconciliation of Revenue to Adjusted Revenue**

Adjusted revenue represents revenue adjusted for one-time purchase accounting adjustments to fair value deferred revenue acquired in business combinations. Adjusted revenue is presented because we use this measure to evaluate performance of our business against prior periods and believe it is a useful indicator of the underlying performance of the Company. Adjusted revenue is not a recognized term under generally accepted accounting principles (GAAP). Adjusted revenue does not represent revenue, as that term is defined under GAAP, and should not be considered as an alternative to revenue as an indicator of our operating performance. Adjusted revenue as presented herein is not necessarily comparable to similarly titled measures. The following is a reconciliation between adjusted revenue and revenue, the GAAP measure we believe to be most directly comparable to adjusted revenue.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
(in thousands)				
Revenue	\$ 177,457	\$ 120,850	\$ 350,675	\$ 214,525
Purchase accounting adjustments to deferred revenue	22	351	136	351
Adjusted revenue	<u>\$ 177,479</u>	<u>\$ 121,201</u>	<u>\$ 350,811</u>	<u>\$ 214,876</u>

**Note 2. Reconciliation of Operating Income to Adjusted Operating Income**

Adjusted operating income represents operating income adjusted for amortization of acquisition-related intangible assets and purchase accounting adjustments for deferred revenue and other expenses. Adjusted operating income is presented because we use this measure to evaluate performance of our business and believe it is a useful indicator of the underlying performance of the Company. Adjusted operating income is not a recognized term under GAAP. Adjusted operating income does not represent operating income, as that term is defined under GAAP, and should not be considered as an alternative to operating income as an indicator of our operating performance. Adjusted operating income as presented herein is not necessarily comparable to similarly titled measures. The following is a reconciliation between adjusted operating income and operating income, the GAAP measure we believe to be most directly comparable to adjusted operating income.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
(in thousands)				
Operating income	\$ 45,292	\$ 21,126	\$ 87,288	\$ 43,197
Amortization of intangible assets	21,174	13,564	42,192	22,420
Stock-based compensation	1,929	1,183	4,035	2,412
Capital-based taxes	-	-	-	(765)
Unusual or non-recurring charges	395	9,691	(15)	14,375
Purchase accounting adjustments	(24)	300	41	248
Other	-	-	-	-
Adjusted operating income	<u>\$ 68,766</u>	<u>\$ 45,864</u>	<u>\$ 133,541</u>	<u>\$ 81,887</u>

**Note 3. Reconciliation of Net Income to EBITDA, Consolidated EBITDA and Adjusted Consolidated EBITDA**

EBITDA represents net income before interest expense, income taxes, depreciation and amortization. Consolidated EBITDA, defined under our Credit Agreement entered into in March 2013, is used in calculating covenant compliance, and is EBITDA adjusted for certain items. Consolidated EBITDA is calculated by subtracting from or adding to EBITDA items of income or expense described below. Adjusted consolidated EBITDA is calculated by subtracting acquired EBITDA from consolidated EBITDA. EBITDA, consolidated EBITDA and adjusted consolidated EBITDA are presented because we use these measures to evaluate performance of our business and believe them to be useful indicators of an entity's debt capacity and its ability to service debt. EBITDA, consolidated EBITDA and adjusted consolidated EBITDA are not recognized terms under GAAP and should not be considered in isolation or as alternatives to operating income, net income or cash flows from operating activities as indicators of our operating performance. The following is a reconciliation of EBITDA, consolidated EBITDA and adjusted consolidated EBITDA to net income.

	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended June 30,
	2013	2012	2013	2012	2013
(in thousands)					
Net income (loss)	\$ 26,119	\$ (5,760)	\$ 47,548	\$ 12,123	\$ 81,245
Interest expense, net	11,784	8,840	24,289	9,389	51,756
Taxes	9,759	(497)	17,967	7,268	35,364
Depreciation and amortization	24,990	15,680	49,742	25,885	99,671
EBITDA	72,652	18,263	139,546	54,665	268,036
Stock-based compensation	1,929	1,183	4,035	2,412	7,213
Capital-based taxes	-	-	-	(765)	(20)
Acquired EBITDA and cost savings	-	12,238	-	12,238	632
Unusual or non-recurring charges	(1,976)	28,235	(2,532)	28,793	304
Purchase accounting adjustments	(24)	300	41	248	687
Other	6	(48)	217	(91)	291
Consolidated EBITDA	72,587	60,171	141,307	97,500	277,143
Less: acquired EBITDA	-	(12,238)	-	(12,238)	(632)
Adjusted Consolidated EBITDA	\$ 72,587	\$ 47,933	\$ 141,307	\$ 85,262	\$ 276,511

#### Note 4. Reconciliation of Net Income to Adjusted Net Income and Diluted Earnings Per Share to Adjusted Diluted Earnings Per Share

Adjusted net income and adjusted diluted earnings per share represent net income and earnings per share before amortization of intangible assets and deferred financing costs, stock-based compensation, capital-based taxes and other unusual and non-recurring items. Adjusted net income and adjusted diluted earnings per share are not recognized terms under GAAP, do not represent net income or diluted earnings per share, as those terms are defined under GAAP, and should not be considered as alternatives to net income or diluted earnings per share as indicators of our operating performance. Adjusted net income and adjusted diluted earnings per share are important to management and investors because they represent our operational performance exclusive of the effects of amortization of intangible assets and deferred financing costs, stock-based compensation, capital-based taxes and other unusual and non-recurring items that are not operational in nature or comparable to those of our competitors. The following is a reconciliation between adjusted net income and adjusted diluted earnings per share and net income and diluted earnings per share.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
(in thousands, except per share data)				
GAAP – Net income (loss)	\$ 26,119	\$ (5,760)	\$ 47,548	\$ 12,123
Plus: Amortization of intangible assets	21,174	13,563	42,192	22,419
Plus: Amortization of deferred financing costs and original issue discount	1,600	531	2,988	589
Plus: Stock-based compensation	1,929	1,183	4,035	2,412
Plus: Capital-based taxes	-	-	-	(765)
Plus: Unusual and non-recurring items	(1,976)	28,235	(2,532)	28,793
Plus: Loss on extinguishment of debt	-	4,355	-	4,355
Plus: Purchase accounting adjustments	(24)	300	41	248
Income tax effect (1)	(7,815)	(15,166)	(15,704)	(19,837)
Adjusted net income	\$ 41,007	\$ 27,241	\$ 78,568	\$ 50,337
Adjusted diluted earnings per share	\$ 0.48	\$ 0.33	\$ 0.93	\$ 0.61
GAAP diluted earnings per share	\$ 0.31	\$ (0.07)	\$ 0.56	\$ 0.15
Diluted weighted-average shares outstanding	85,280	82,822	84,550	82,491

(1) An estimated normalized effective tax rate of 30% has been used to adjust the provision for income taxes for the purpose of computing adjusted net income.