

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

	Three Months Ended		Six Months Ended	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Revenues:				
Software licenses	\$ 4,982	\$ 6,074	\$ 11,555	\$ 11,663
Maintenance	19,418	17,817	38,865	35,836
Professional services	5,860	5,099	11,127	10,488
Software-enabled services	61,543	52,628	119,263	101,805
Total revenues	<u>91,803</u>	<u>81,618</u>	<u>180,810</u>	<u>159,792</u>
Cost of revenues:				
Software licenses	1,700	1,908	3,375	3,836
Maintenance	8,801	8,084	17,467	16,081
Professional services	3,981	3,260	7,551	6,618
Software-enabled services	31,155	27,688	61,739	53,567
Total cost of revenues	<u>45,637</u>	<u>40,940</u>	<u>90,132</u>	<u>80,102</u>
Gross profit	<u>46,166</u>	<u>40,678</u>	<u>90,678</u>	<u>79,690</u>
Operating expenses:				
Selling and marketing	7,018	6,483	13,908	12,635
Research and development	9,053	7,860	17,025	15,619
General and administrative	7,200	6,546	13,743	12,226
Total operating expenses	<u>23,271</u>	<u>20,889</u>	<u>44,676</u>	<u>40,480</u>
Operating income	22,895	19,789	46,002	39,210
Interest expense, net	(3,474)	(8,058)	(8,601)	(17,075)
Other income (expense), net	119	115	(168)	-
Loss on extinguishment of debt	-	(5,480)	(2,881)	(5,480)
Income before income taxes	19,540	6,366	34,352	16,655
Provision for income taxes	<u>6,512</u>	<u>2,004</u>	<u>11,490</u>	<u>3,272</u>
Net income	<u>\$ 13,028</u>	<u>\$ 4,362</u>	<u>\$ 22,862</u>	<u>\$ 13,383</u>
Basic earnings per share	<u>\$ 0.17</u>	<u>\$ 0.06</u>	<u>\$ 0.30</u>	<u>\$ 0.20</u>
Basic weighted average number of common shares outstanding	<u>76,724</u>	<u>70,960</u>	<u>75,556</u>	<u>65,900</u>
Diluted earnings per share	<u>\$ 0.16</u>	<u>\$ 0.06</u>	<u>\$ 0.29</u>	<u>\$ 0.19</u>
Diluted weighted average number of common and common equivalent shares outstanding	<u>80,800</u>	<u>74,538</u>	<u>79,756</u>	<u>69,424</u>

See Notes to Condensed Consolidated Financial Information.

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

	<b>June 30, 2011</b>	<b>December 31, 2010</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 82,642	\$ 84,843
Accounts receivable, net	44,728	45,531
Prepaid income taxes	8,522	2,242
Deferred income taxes	1,268	1,142
Prepaid expenses and other current assets	6,622	5,932
Total current assets	143,782	139,690
Property and equipment, net	13,964	13,570
Deferred income taxes	660	686
Goodwill	945,079	926,668
Intangible and other assets, net	182,750	195,112
Total assets	\$ 1,286,235	\$ 1,275,726
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$ 1,471	\$ 1,702
Accounts payable	4,201	3,790
Accrued employee compensation and benefits	9,010	16,854
Other accrued expenses	11,973	11,052
Interest payable	652	1,305
Deferred maintenance and other revenue	48,992	41,671
Total current liabilities	76,299	76,374
Long-term debt, net of current portion	202,281	289,092
Other long-term liabilities	13,687	12,343
Deferred income taxes	35,324	40,734
Total liabilities	327,591	418,543
Total stockholders' equity	958,644	857,183
Total liabilities and stockholders' equity	\$ 1,286,235	\$ 1,275,726

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, 2011</b>	<b>June 30, 2010</b>
Cash flow from operating activities:		
Net income	\$ 22,862	\$ 13,383
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,990	20,297
Stock-based compensation expense	5,435	5,232
Amortization of loan origination costs	1,808	2,403
Gain on sale or disposition of property and equipment	-	(2)
Deferred income taxes	(5,904)	(6,090)
Provision for doubtful accounts	649	454
Changes in operating assets and liabilities, excluding effects from acquisitions:		
Accounts receivable	1,306	(2,423)
Prepaid expenses and other assets	(296)	818
Accounts payable	243	(857)
Accrued expenses and other liabilities	(9,236)	(10,914)
Income taxes receivable and payable	(3,457)	(3,838)
Deferred maintenance and other revenues	6,654	4,971
Net cash provided by operating activities	<u>41,054</u>	<u>23,434</u>
Cash flow from investing activities:		
Additions to property and equipment	(3,102)	(2,238)
Proceeds from sale of property and equipment	-	52
Cash paid for business acquisitions, net of cash acquired	(14,798)	(11,372)
Additions to capitalized software and other intangibles	(1,075)	(99)
Net cash used in investing activities	<u>(18,975)</u>	<u>(13,657)</u>
Cash flow from financing activities:		
Repayment of debt	(87,833)	(81,597)
Proceeds from common stock issuance, net	51,971	134,611
Proceeds from exercise of stock options	6,190	5,396
Purchase of common stock for treasury	-	(1,169)
Income tax benefit related to exercise of stock options	4,884	3,583
Net cash (used in) provided by financing activities	<u>(24,788)</u>	<u>60,824</u>
Effect of exchange rate changes on cash and cash equivalents	<u>508</u>	<u>(770)</u>
Net (decrease) increase in cash and cash equivalents	(2,201)	69,831
Cash and cash equivalents, beginning of period	84,843	19,055
Cash and cash equivalents, end of period	<u>\$ 82,642</u>	<u>\$ 88,886</u>

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,	
	2011	2010	2011	2010
(in thousands)				
Revenue	\$ 91,803	\$ 81,618	\$ 180,810	\$ 159,792
Purchase accounting adjustments to deferred revenue	7	62	14	142
Adjusted revenue	<u>\$ 91,810</u>	<u>\$ 81,680</u>	<u>\$ 180,824</u>	<u>\$ 159,934</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,	
	2011	2010	2011	2010
(in thousands)				
Operating income	\$ 22,895	\$ 19,789	\$ 46,002	\$ 39,210
Amortization of intangible assets	9,161	8,734	18,113	17,408
Stock-based compensation	3,638	3,882	5,435	5,232
Capital-based taxes	2	228	154	454
Unusual or non-recurring charges	242	(153)	490	83
Purchase accounting adjustments	(102)	(60)	(204)	(37)
Other	-	(45)	(30)	161
Adjusted operating income	<u>\$ 35,836</u>	<u>\$ 32,375</u>	<u>\$ 69,960</u>	<u>\$ 62,511</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 November 2005, 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. EBITDA, consolidated EBITDA and adjusted consolidated EBITDA do not represent net income, as that term is defined under GAAP, and should not

be considered as alternatives to net income as an indicator of our operating performance. The following is a reconciliation between EBITDA, consolidated EBITDA and adjusted consolidated EBITDA and net income.

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,		Twelve Months Ended June 30,
	2011	2010	2011	2010	2011
Net income	\$ 13,028	\$ 4,362	\$ 22,862	\$ 13,383	\$ 41,892
Interest expense, net	3,474	13,538	11,482	22,555	24,819
Taxes	6,512	2,004	11,490	3,272	20,252
Depreciation and amortization	10,612	10,184	20,990	20,297	41,421
EBITDA	33,626	30,088	66,824	59,507	128,384
Stock-based compensation	3,638	3,882	5,435	5,232	13,457
Capital-based taxes	2	228	154	454	791
Acquired EBITDA and cost savings	-	-	443	192	2,856
Unusual or non-recurring charges	123	(267)	659	84	250
Purchase accounting adjustments	(102)	(60)	(204)	(37)	(405)
Other	116	(45)	86	161	(36)
Consolidated EBITDA	37,403	33,826	73,397	65,593	145,297
Less: acquired EBITDA	-	-	(443)	(192)	(2,856)
Adjusted Consolidated EBITDA	\$ 37,403	\$ 33,826	\$ 72,954	\$ 65,401	\$ 142,441

#### 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.

(in thousands, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
GAAP – Net income	\$ 13,028	\$ 4,362	\$ 22,862	\$ 13,383
Plus: Amortization of intangible assets	9,161	8,734	18,113	17,408
Plus: Amortization of deferred financing costs	416	554	886	1,138
Plus: Stock-based compensation	3,638	3,882	5,435	5,232
Plus: Capital-based taxes	2	228	154	454
Plus: Unusual and non-recurring items	123	(267)	659	84
Plus: Loss on extinguishment of debt	-	5,480	2,881	5,480
Plus: Purchase accounting adjustments	(102)	(60)	(204)	(37)
Plus: Other	-	(45)	(30)	161
Income tax effect (1)	(4,960)	(6,701)	(10,296)	(13,029)
Adjusted net income	\$ 21,306	\$ 16,167	\$ 40,460	\$ 30,274
Adjusted diluted earnings per share	\$ 0.26	\$ 0.22	\$ 0.51	\$ 0.44
GAAP diluted earnings per share	\$ 0.16	\$ 0.06	\$ 0.29	\$ 0.19
Diluted weighted-average shares outstanding	80,800	74,538	79,756	69,424

(1) An estimated normalized effective tax rate of 35% has been used to adjust the provision for income taxes for the purposes of computing adjusted net income.